

**ASSOCIATION of
GOVERNMENTS**

Main Office

818 West Seventh Street
12th Floor
Los Angeles, California
90017-3435

t (213) 236-1800

f (213) 236-1825

www.scag.ca.gov

Officers: President: Councilmember Ron Roberts, Temecula • First Vice President: Supervisor Hank Kuiper, Imperial County • Second Vice President: Mayor Toni Young, Port Hueneme • Immediate Past President: Councilmember Bev Perry, Brea
Imperial County: Hank Kuiper, Imperial County • Jo Shields, Brawley

Los Angeles County: Yvonne Brathwaite Burke, Los Angeles County • Zev Yaroslavsky, Los Angeles County • Harry Baldwin, San Gabriel • Paul Bowlen, Cerritos • Tony Cardenas, Los Angeles • Margaret Clark, Rosemead • Gene Daniels, Paramount • Mike Dispenza, Palmdale • Judy Dunlap, Inglewood • Eric Garcetti, Los Angeles • Wendy Greuel, Los Angeles • Frank Gurulé, Cudahy • James Hahn, Los Angeles • Janice Hahn, Los Angeles • Isadore Hall, Compton • Tom LaBonge, Los Angeles • Bonnie Lowenthal, Long Beach • Martin Ludlow, Los Angeles • Keith McCarthy, Downey • Llewellyn Miller, Claremont • Cindy Miskowski, Los Angeles • Paul Nowatka, Torrance • Pam O'Connor, Santa Monica • Alex Padilla, Los Angeles • Bernard Parks, Los Angeles • Jan Perry, Los Angeles • Beatrice Proo, Pico Rivera • Ed Reyes, Los Angeles • Greig Smith, Los Angeles • Dick Stanford, Azusa • Tom Sykes, Walnut • Paul Talbot, Alhambra • Sidney Tyler, Pasadena • Tonia Reyes Uranga, Long Beach • Antonio Villaraigosa, Los Angeles • Dennis Washburn, Calabasas • Jack Weiss, Los Angeles • Bob Youssefian, Glendale • Dennis Zine, Los Angeles

Orange County: Chris Norby, Orange County • Ronald Bates, Los Alamitos • Lou Bone, Tustin • Art Brown, Buena Park • Richard Chavez, Anaheim • Debbie Cook, Huntington Beach • Cathryn DeYoung, Laguna Niguel • Richard Dixon, Lake Forest • Alta Duke, La Palma • Bev Perry, Brea • Tod Ridgeway, Newport Beach

Riverside County: Marion Ashley, Riverside County • Thomas Buckley, Lake Elsinore • Bonnie Flickinger, Moreno Valley • Ron Loveridge, Riverside • Greg Pettis, Cathedral City • Ron Roberts, Temecula

San Bernardino County: Paul Biane, San Bernardino County • Bill Alexander, Rancho Cucamonga • Edward Burgnon, Town of Apple Valley • Lawrence Dale, Barstow • Lee Ann Garcia, Grand Terrace • Susan Longville, San Bernardino • Gary Ovitt, Ontario • Deborah Robertson, Rialto

Ventura County: Judy Mikels, Ventura County • Glen Becerra, Simi Valley • Carl Morehouse, San Buenaventura • Toni Young, Port Hueneme

Orange County Transportation Authority: Charles Smith, Orange County

Riverside County Transportation Commission: Robin Lowe, Hemet

Ventura County Transportation Commission: Bill Davis, Simi Valley

PLEASE NOTE SPECIAL TIME & LOCATION

REGIONAL COUNCIL

**Thursday, June 3, 2004
11:00 a.m. – 12:00 noon**

**TEMECULA CREEK INN
Building E - Kiva
44501 Rainbow Canyon Road
Temecula, California 92592**

909.694.1000

MAP & AGENDA ENCLOSED

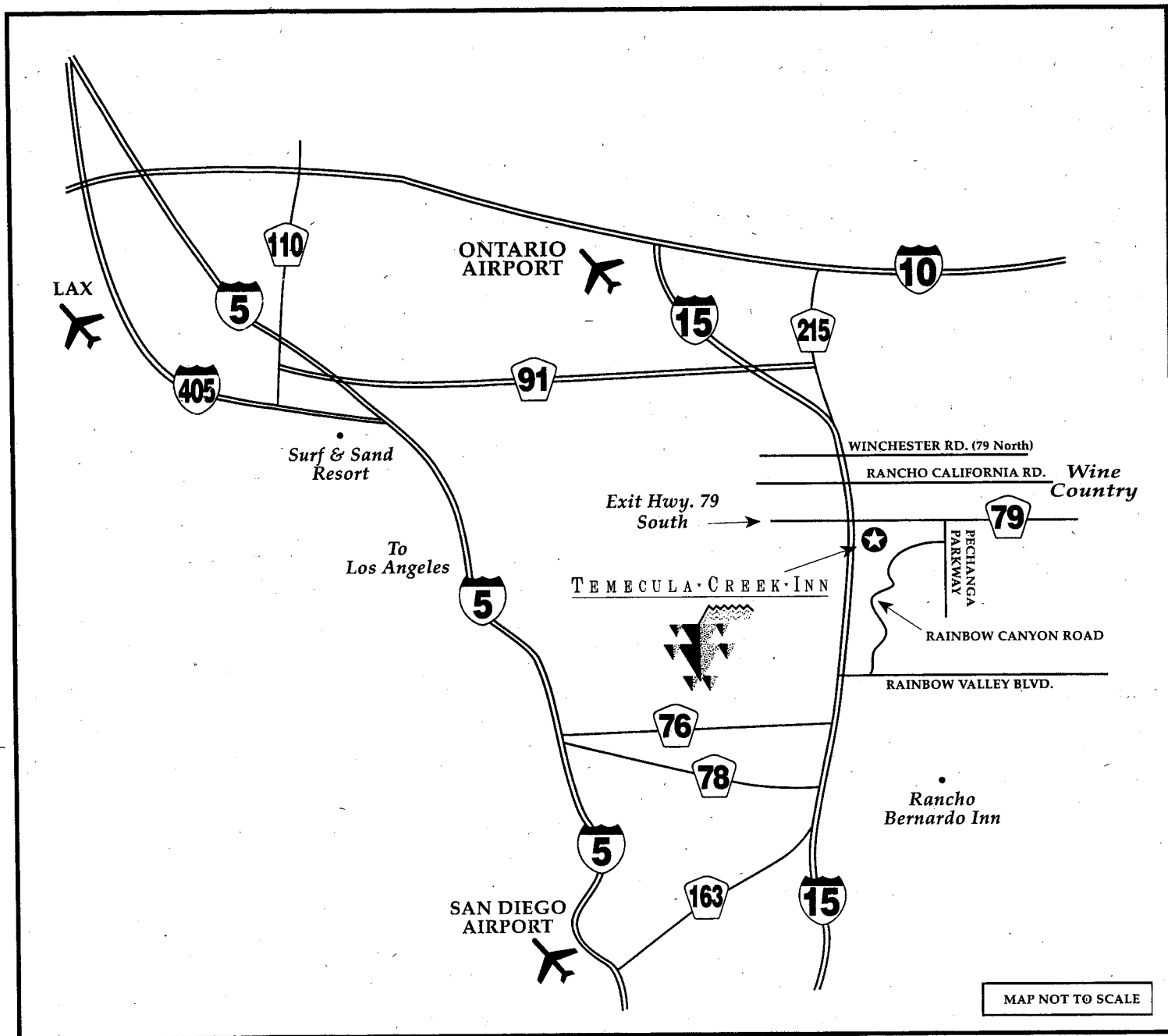
If members of the public wish to review the attachments or have any questions on any of the agenda items, please contact Shelia Stewart at 213.236.1868 or via email stewart@scag.ca.gov

**Agendas and Minutes for Regional Council meeting
are also available at:**

www.scag.ca.gov

SCAG, in accordance with the Americans with Disabilities Act (ADA), will accommodate persons who require a modification of accommodation in order to participate in this meeting. If you require such assistance, please contact SCAG at (213) 236-1868 at least 72 hours in advance of the meeting to enable SCAG to make reasonable arrangements. To request documents related to this document in an alternative format, please contact (213) 236-1868.

TEMECULA CREEK INN



FROM ONTARIO AIRPORT

(approximately 50 minutes)

Head west on Mission Boulevard to Euclid. Head north to I-10 East, take I-10 East to I-15 South.

FROM SAN DIEGO AIRPORT

(approximately 50 minutes)

Take Harbor Drive South to Grape Street. Head east to the top of the hill to I-5 South. Take I-5 South to Hwy 163 North, which turns into I-15 North.

FROM LOS ANGELES AIRPORT

(approximately 90 minutes)

Take 405 South to 110 North to 91 East to I-15 South.

FROM I-15 NORTH OR SOUTH

Exit Hwy 79 South (Indio). If you are heading South, turn left under the freeway. If you are heading North, turn right, off the freeway. Turn right onto Pechanga Parkway. Follow Pechanga Parkway two blocks to Rainbow Canyon Road, turn right into the Inn.

Dining

Temet Grill Restaurant _____ E
 Tenet Bar _____ E
 Snack Bar _____ D

Recreation

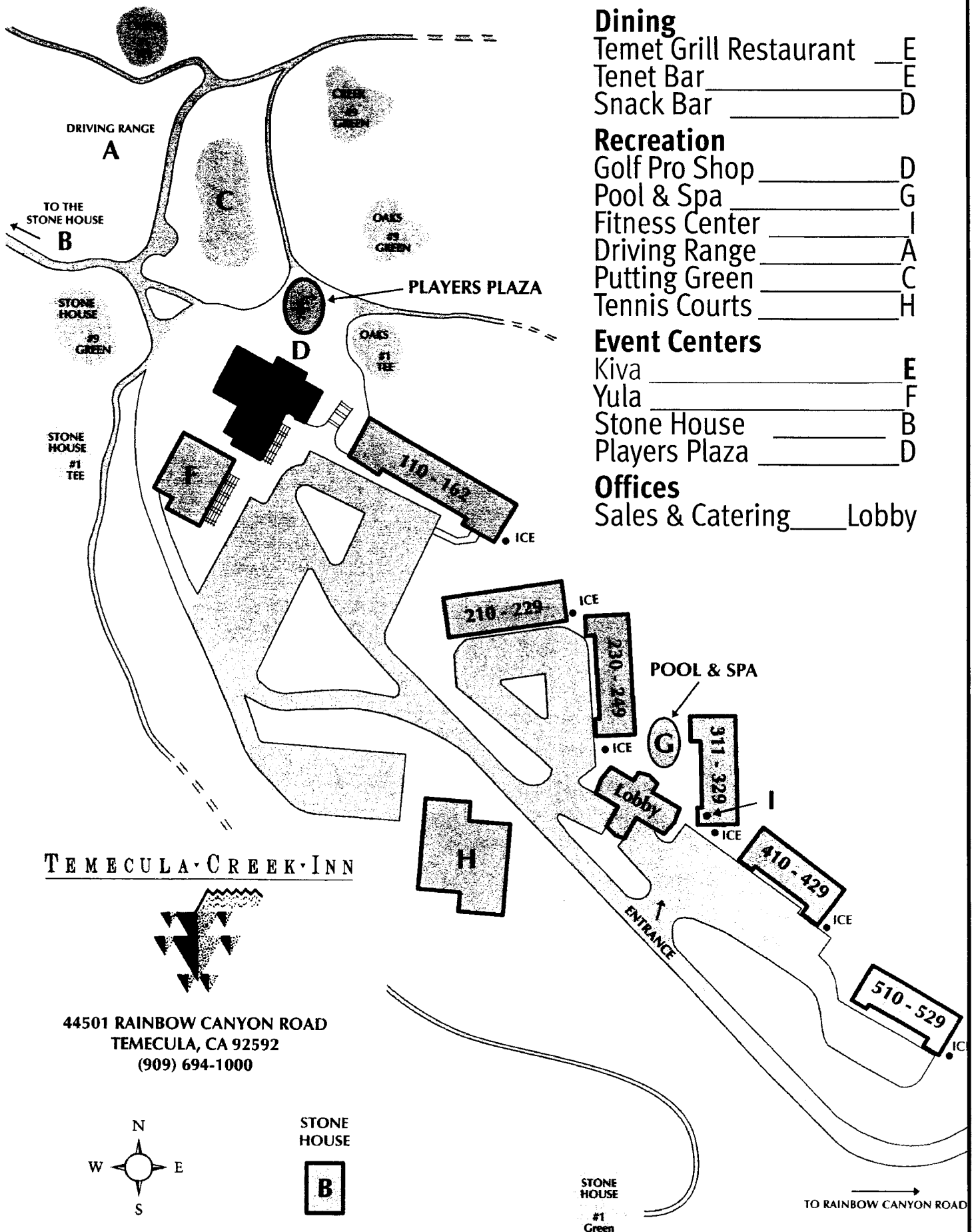
Golf Pro Shop _____ D
 Pool & Spa _____ G
 Fitness Center _____ I
 Driving Range _____ A
 Putting Green _____ C
 Tennis Courts _____ H

Event Centers

Kiva _____ E
 Yula _____ F
 Stone House _____ B
 Players Plaza _____ D

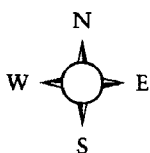
Offices

Sales & Catering _____ Lobby



TEMECULA CREEK INN

44501 RAINBOW CANYON ROAD
 TEMECULA, CA 92592
 (909) 694-1000



STONE HOUSE



STONE HOUSE
 #1 Green

AGENDA

June 3, 04 RC Agenda
DOCS# 98753 - Stewart

REGIONAL COUNCIL

AGENDA

	PAGE #	TIME
<u>Approval Items – Cont/d</u>		
3.1.7 <u>Adopt Resolution #04-453-1 authorizing Executive Director to delegate authority to the Deputy Executive Director Attachment</u>	20	
3.1.8 <u>Authorization to Execute MOU between SCAG & Calif. State University LA (CSULA) for grants awarded to CSULA by the FTA Attachment</u>	22	
3.1.9 <u>Approve Submittal of Letter Supporting House & Senate Bill Provisions to Fund Transportation Programs for Indian Reservations in the Reauthorization Of TEA-21 Attachment</u>	23	
3.1.10 <u>Support Housing Legislation AB 2158 (Lowenthal) and AB 2348 (Mullin) Attachment</u>	24	
These bills encompass the consensus Proposals of the Statewide Housing Element Working Group and reform the RHNA and housing element process		
3.2 <u>Receive & File</u>		
3.2.1 <u>Contracts & PO between \$5,000 - \$25,000 Attachment</u>	69	
3.2.2 <u>Conflict of Interest Listing Attachment</u>	71	
3.2.3 <u>SCAG Legislative Matrix Attachment</u>	72	
3.2.4 <u>Key Issues from Policy Committees Meeting on May 6, 2004 Attachment</u>	75	

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REGIONAL COUNCIL

AGENDA

	PAGE #	TIME
3.3 <u>PRESIDENT'S REPORT</u>		
3.1.1 <u>Announcement of Chairs & Vice Chairs</u>		
3.3.2 <u>Report on June Retreat</u>		
3.3.3 <u>Cancellation of July Meeting</u>		
Recommended Action: Cancel July meetings and authorize the Executive Committee to convene in July if there is a need to act on any contract and forward to RC for ratification in August.		
3.3.4 <u>Appointments</u>		
3.4 <u>EXECUTIVE DIRECTOR'S REPORT</u>		
4.0 <u>ACTION ITEMS</u>		
4.1 <u>Community & Human Development Committee (CEHD) Report</u>	Chair	
4.1.1 <u>Compass Growth Vision Attachment</u>	78	30 minutes
Recommended Action. Approve Compass Growth Vision and Implementation Program.		
4.1.2 <u>Report on Housing Summit</u>		3 minutes
A report will be given on the Summit held on May 21, 2004.		

June 3, 04 RC Agenda
DOCS# 98753 - Stewart



REGIONAL COUNCIL

AGENDA

		PAGE #	TIME
4.2	<u>Administration Committee Report</u>	Councilmember Dixon, Chair	5 minutes
4.2.1	<u>Legal Service Contract Attachment</u>	80	
	Recommended Action: Approve		
4.3	<u>Transportation & Communications Committee (TCC) Report</u>	Chair	10 minutes
4.4.1	<u>AB 2628 (Pavley) HOV Lanes Attachment</u> This bill allows advanced technology Partial Zero-Emission Vehicles to use HOV regardless of existing required vehicle occupancy.	81	
	Recommended Action: Oppose		
4.5	<u>Energy & Environment Committee (EEC) Report</u>	Chair	
4.6	<u>Communication Task Force Report</u>	Councilmember Proo, Chair	2 minutes
5.0	<u>INFORMATION ITEMS</u>		
5.1	<u>Monthly Financial Report Attachment</u>	Heather Copp CFO	3 minutes
6.0	<u>FUTURE AGENDA ITEMS</u>		

Any committee members desiring to place items on a future agenda may make such request. Comments should be limited to three minutes.



REGIONAL COUNCIL

AGENDA

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TIME

7.0 LEGAL COUNSEL REPORT

7.1 Closed Session

- Deanna Wetherbee-Distel et al. vs. City of Riverside; County of Riverside; Riverside County Transportation Commission; Riverside County Flood Control and Water Conservation District; Southern California Association of Governments; Riverside Transit Agency; Western Municipal Water District

Conference with Legal Counsel re: pending litigation pursuant to California Government Code Section 54956.9

- HDR Appeal
Conference with Legal Counsel – anticipated litigation
Significant exposure to litigation pursuant to California Government Code Subdivision C §54956.9 (one potential case)
- SCAG v. HCD & BT&H
Conference with Legal Counsel - existing litigation to be heard in closed session in pursuant to California Government Code Section §54956.9(a)
- Morrison v. SCAG
Conference with Legal Counsel Government Code section 54956.9(a) Morrison v. Southern California Association of Governments et al. Superior Court, Los Angeles County, Case No. BC 312066
- Performance Evaluation of Executive Director
Pursuant to California Government Code §54957 b(1)

8.0 Executive Committee Recommendation on Executive Director Compensation

Recommended Action: Approve

June 3, 04 RC Agenda
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v



**SOUTHERN CALIFORNIA
ASSOCIATION of GOVERNMENTS**

REGIONAL COUNCIL

AGENDA

PAGE #

TIME

9.0 ANNOUNCEMENTS

The E Region (NARC) Newsletter was emailed to all members. Additional copies will be available at the meeting.

10.0 ADJOURNMENT

The next meeting is scheduled for August 5, 2004 at SCAG Offices downtown Los Angeles.

June 3, 04 RC Agenda
DOCS# 98753 - Stewart



SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

May 6, 2004

MINUTES

THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE REGIONAL COUNCIL. AUDIO CASSETTE TAPE OF THE ACTUAL MEETING IS AVAILABLE FOR LISTENING IN SCAG'S OFFICE.

The Regional Council of the Southern California Association of Governments held its meeting at the Hyatt Regency Hotel downtown Los Angeles. The meeting was called to order by the President, Councilmember Bev Perry, City of Brea. There was a quorum.

Members Present

Councilmember Bev Perry, Brea, President	District 22
Councilmember Ron Roberts, Temecula, 1 st VP	District 5
Supervisor Hank Kuiper, Imperial County, 2 nd VP	
Supervisor Marion Ashley, Riverside County	
Supervisor Chirs Norby, Orange County	
Councilmember Jo Shields, Brawley	District 1
Councilmember Greg Pettis, Cathedral City	District 2
Councilmember Bonnie Flickinger, Moreno Valley	District 3
Mayor Ron Loveridge, Riverside	District 4
Mayor Lee Ann Garcia, Grand Terrace	District 6
Councilmember Susan Longville, San Bernardino	District 7
Councilmember Deborah Robertson, Rialto	District 8
Mayor Bill Alexander, Rancho Cucamonga	District 9
Mayor Gary Ovitt, Ontario	District 10
Mayor Lawrence Dale, Barstow	District 11
Councilmember Richard Dixon, Lake Forest	District 13
Councilmember Tod Ridgeway, Newport Beach	District 14
Councilmember Lou Bone, Tustin	District 17
Councilmember Alta Duke, La Palma	District 18
Councilmember Ron Bates, Los Alamitos	District 20
Councilmember Art Brown, Buena Park	District 21
Councilmember Paul Bowlen, Cerritos	District 23
Councilmember Gene Daniels, Paramount	District 24
Councilmember Keith McCarthy, Downey	District 25
Councilmember Isadore Hall, Compton	District 26
Councilmember Frank Gurule, Cudahy	District 27
Councilmember Bonnie Lowenthal, Long Beach	District 29

Members Present – Cont'd

Councilmember Tonia Reyes-Uranga, Long Beach	District 30
Mayor Pro Tem Bea Proo, Pico Rivera	District 31
Councilmember Dick Stanford, Azusa	District 33
Councilmember Paul Talbot, Alhambra	District 34
Councilmember Harry Baldwin, San Gabriel	District 35
Councilmember Sid Tyler, Pasadena	District 36
Councilmember Tom Sykes, Walnut	District 37
Councilmember Llewellyn Miller, Claremont	District 38
Councilmember Paul Nowatka, Torrance	District 39
Councilmember Pam O'Connor, Santa Monica	District 41
Councilmember Bob Yousefian, Glendale	District 42
Councilmember Dennis Washburn, Calabasas	District 44
Mayor Toni Young, Port Hueneme	District 45
Councilmember Glen Becerra, Simi Valley	District 46
Councilmember Carl Morehouse, San Buenaventura	District 47
Councilmember Thomas Buckley, Lake Elsinore	District 63
Councilmember Debbie Cook, Huntington Beach	District 64
Councilmember Ted Burgnon, Town of Apple Valley	District 65

Members Not Present

Supervisor Judy Mikels, Ventura County	
Supervisor Zev Yaroslavsky, LA County	
Supervisor Paul Biane, San Bernardino County	
Supervisor Yvonne Burke, LA County	
Councilmember Cathryn De Young, Laguna Niguel	District 12
Councilmember Richard Chavez, Anaheim	District 19
Councilmember Judy Dunlap, Inglewood	District 28
Councilmember Margaret Clark, Rosemead	District 32
Councilmember Mike Dispenza, Palmdale	District 43
Councilmember Ed Reyes, Los Angeles	District 48
Councilmember Wendy Greuel, Los Angeles	District 49
Councilmember Dennis Zine, Los Angeles	District 50
Councilmember Tom LaBonge, Los Angeles	District 51
Councilmember Jack Weiss, Los Angeles	District 52
Councilmember Tony Cardenas, Los Angeles	District 53
Councilmember Alex Padilla, Los Angeles	District 54
Councilmember Bernard Parks, Los Angeles	District 55
Councilmember Jan Perry, Los Angeles	District 56
Councilmember Nate Holden, Los Angeles	District 57
Councilmember Cindy Miscikowski, Los Angeles	District 58
Councilmember Greig Smith, Los Angeles	District 59
Councilmember Eric Garcetti, Los Angeles	District 60
Councilmember Antonio Villariagosa, Los Angeles	District 61
Councilmember Janice Hahn, Los Angeles	District 62
Mayor James Hahn, Los Angeles	At-Large

Mayor Bill Davis, Simi Valley
Councilmember Robin Lowe, Hemet

VCTC
RCTC

Staff Present

Mark Pisano, Executive Director
Jim Gosnell, Deputy Executive Director
Bert Becker, Chief Financial Officer
Colin Lennard, General Counsel
Karen Tachiki, Chief Counsel
Hasan Ikrata, Director, Planning & Policy
Huasha Liu, Acting Director, Information Services
Shelia Stewart, Executive Assistant

1.0 CALL TO ORDER & PLEDGE OF ALLEGIANCE

Led by Councilmember Harry Baldwin, City of San Gabriel.

2.0 PUBLIC COMMENT PERIOD

There were no comments presented at this time.

SPECIAL PRESENTATION

President Perry recognized Bert Becker for his service as Chief Financial Officer and presented a plaque upon his retirement.

3.0 CONSENT CALENDAR

The following consent calendar items were MOVED (Gurule), SECONDED (Bone) and UNANIMOUSLY APPROVED

3.1 Approval Items

3.1.1 Approve Minutes of April 1, 2004

3.1.2 Contract Amendment

- Judith Norman Transportation Consultant

3.1.3 Approval of Bi-State Transportation Technical Advisory Steering Board Budget

3.1.4 MOU between SCAG & RCTC

3.1.5 Consensus Program Appropriations Additions

3.2 Receive & File

3.2.1 Contracts & PO between \$5,000 - \$25,000

3.2.2 Conflict of Interest Listing

3.2.3 SCAG Legislative Matrix

3.3 PRESIDENT'S REPORT

3.3.1 Appointments

District # 6 Hon. Lee Ann Garcia, Grand Terrace (Re-elected)
District # 8 Hon. Deborah Robertson, Rialto (Re-elected)
District # 10 Hon. Gary Ovitt, Ontario (Re-elected)
District # 24 Hon. Gene Daniels, Paramount (Re-elected)
District # 26 Hon. Isadore Hall III, Compton (Re-elected)

Subregional Representatives to Policy Committees

Las Virgenes Malibu COG

To CEHD: Hon. Susan McSweeney, Westlake Village
To TCC: Hon. Mark Rutherford, Westlake Village

Gateway Cities COG

To CEHD: Hon. Daryl Hofmeyer, Paramount

San Gabriel Valley COG

To EEC: Hon. Antonio Portantino, La Canada Flintridge

3.3.2 Election of 2004 SCAG Officers

The Nomination Committee recommended the following: Ron Roberts, Temecula, as President; Hank Kuiper, Imperial County, 1st VP and Toni Young, Port Hueneme, 2nd VP.

It was MOVED (Ridgeway), SECONDED (Hall) and UNANIMOUSLY APPROVED to approve the aforementioned as the 2004 SCAG Officers.

3.4 EXECUTIVE DIRECTOR'S REPORT

Mark Pisano gave a brief overview on accomplishments during the month of May. Regarding Reauthorization of TEA-21, he reported that on April 2nd the House of Representatives voted to pass HR3550, known as TEA-LU which authorizes the federal surface transportation program.

Jim Gosnell gave to the Budget Subcommittee #5 testimony on the transportation portion of the proposed State Budget recommending retention of Prop 42 funding and describing implications of proposed budget cuts on conformity in the region.

On April 14th Councilmember Perry, Councilmember Roberts and Councilmember Bates led SCAG's legislative advocacy day in Sacramento. The trip consisted of a day of meetings with legislators and administration officials to convey SCAG's message about the negative impact of the Governor's proposed transportation budget cuts. Mr. Pisano, Mr. Gosnell & Mr. Rhodes as well as SCAG's Sacramento lobbyists participated. BT&H Secretary Sunny McPeak and several members joined the SCAG delegation for lunch and is very supportive of SCAG initiatives.

A SCAG/SANDAG meeting has been scheduled for May 27th. The meeting will take place at Temecula Creek Inn from 10 a.m – 2 p.m. to discuss SCAG's aviation strategy, SANDAG's commuter rail strategy and both agencies' perspectives on the Housing.

4.0 ACTION ITEMS

4.1 Administration Committee Report

4.1.1 Adopt Resolution #04-452-1 Approving the Final FY 2004-2005 Overall Work Program

The OWP contains several sources of revenue. The major source is the Consolidated Planning Grant (CPG) which is the primary revenue used to meet SCAG's MPO requirements and address the Federal Planning Emphasis Areas (PEA's) of Federal and State Departments of Transportation. There are other significant grants included (e.g. Federal Railroad Administration for Maglev and Federal Aviation Administration for aviation planning).

The Administration Committee recommended adoption of Resolution #04-452-1, supporting the FY 2004-05 Overall Work Program and Budget with an amendment to have the Audit Committee review work program issues in an oversight role, and submit to Caltrans and other funding agencies as necessary for approval.

It was MOVED (Dixon), SECONDED (Pettis) and UNANIMOUSLY APPROVED to waive reading and adopt Resolution 04-452-1 as amended by the Administration Committee.

4.1.2 Merit Pay Program

The Personnel Committee met on April 21, 2004 and considered an extension of the program to all employees. The committee agreed that all employees should be evaluated and compensated based on the merit of their performance. It was further emphasized that the only the way the program is going to be successful is by the degree of management involvement and proper controls in the system.

They recommended a two-year pilot program extending the merit pay program to all employees in June 2004. Staff was directed to make sure that the program allows for the compensation to vary from year to year depending on budget and other factors.

The Administration Committee recommended approving the Merit Pay Program. It was MOVED (Dixon), SECONDED (Bates).

Councilmember Tyler expressed concerns regarding the merit pay program. He felt the percentages outlined in the report did not appear to be enough compensation for outstanding and above average employees, as well as encouraging employees to perform at a higher level. He felt that this issues is an important factor in attracting and retaining employees. He opposed the merit pay program.

Mayor Young felt that lump sum payments are not calculated as part of the PERS (retirement system). She stated if SCAG is to be competitive it needs to find a way to make program more equitable for employees as to allow their pay to be included as part of PERS for a better retirement.

Councilmember Duke was concerned regarding incremental salary steps in between. She stated that most city agencies operate with incremental salary steps. Salary steps would allow employees to advance to next step within their salary range. This process should be considered during the next phase. There were 35 AYES and 2 NOES. The motion passed.

4.2 **Energy & Environment Committee (EEC) Report**

No report

4.3 **Transportation & Communications Committee (TCC) Report**

No report.

4.5 **Communications Task Force Report**

The Task Force received the draft Communications Strategy update for review and discussion. The revised strategy will be brought back to the Task Force in June.

Members previewed the Annual Report which now reflects the “SCAG’s program year” that runs from one General Assembly to the next, encompassing the President’s term of office. This edition is meant to showcase accomplishments, highlight initiatives, and be used as a reference document. In the future, consideration of an electronic version instead of a printed book is being reviewed.

A member benefits brochure is also being developed to help members understand their benefits for participating in SCAG. It will be available early in the new

fiscal year. Members suggested that input from elected officials be sought from member and non-member jurisdictions during this process.

Staff is currently re-designing the navigation system for the website to make it easier for visitors to use. Enhancements will be phased in and implementation will occur in the new fiscal year.

A SCAG Region Pocket Guide has been developed and provides facts about the region and folds to the size of a business card. Copies are available

5.0 INFORMATION ITEMS

5.1 Monthly Financial Report

Bert Becker informed the Committee that SCAG is doing very well at this time of the year, cash flow is improved. SCAG is also reducing the use of Line of Credit, which reduces the amount of interest costs.

5.2 Presentation on Office Space Enhancements

Held over.

5.3 Presentation of Results from the Data Needs Survey

Held over.

6.0 FUTURE AGENDA ITEMS

None requested.

7.0 LEGAL COUNSEL REPORT

It was MOVED, SECONDED and UNANIMOUSLY APPROVED to enter into closed session on the following items:

7.1 Closed Session

- HDR Appeal
Conference with Legal Counsel – anticipated litigation
Significant exposure to litigation pursuant to California
Government Code Subdivision C §54956.9 (one potential case)
- Morrison v. SCAG
Conference with Legal Counsel Government Code
section 54956.9(a) Morrison v. Southern California
Association of Governments et al. Superior Court,
Los Angeles County, Case No. BC 312066

- Performance Evaluation of Executive Director
Pursuant to California Government Code
§54957 b(1)

Returning to open session:

Staff was authorized to seek a legislative solution regarding HDR.

Legal Counsel was provided instructions with regard to settlement discussion and the RC voted to provide indemnification for the individual defendants in the Morrison case.

The following items were not discussed.

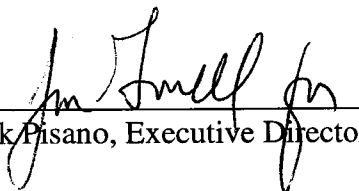
- Deanna Wetherbee-Distel et al. vs. City of Riverside;
County of Riverside; Riverside County Transportation
Commission; Riverside County Flood Control and Water
Conservation District; Southern California Association of
Governments; Riverside Transit Agency; Western Municipal
Water District
- SCAG v. HCD & BT&H

8.0 ANNOUNCEMENTS

The E Region (NARC) Newsletter was emailed to all members. Additional copies will be available at the meeting.

9.0 ADJOURNMENT

The next meeting is scheduled for June 3, 2004 in conjunction with the Annual Retreat @ Temecula Creek Inn in Temecula, California.


Mark Pisano, Executive Director

REPORT

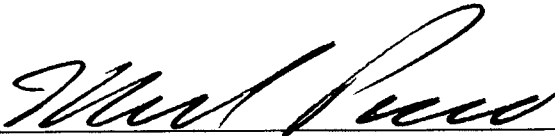
TO: Administration Committee
Regional Council

FROM: Sam Mehta, Contracts Manager (213) 236-1813
Email: mehta@scag.ca.gov

SUBJECT: Approval of Contracts Over \$25,000

DATE: May 14, 2004

EXECUTIVE DIRECTOR'S APPROVAL



RECOMMENDED ACTION: Approve Contracts

SUMMARY:

- **The following consultant contracts are recommended for approval:**

National Engineering Technology Corporation (NET)	NTE	\$548,688
Rafiq & Associates, Inc.	NTE	\$129,905

FISCAL IMPACT:

The Work Element is listed on the detail page for each contract. Included is the Work Element and category of funding, for example FHWA, FTA, indirect.

RC/ADMIN Agenda 6/3/2004
PC DOC#98970

CONSULTANT CONTRACT

Consultant: National Engineering Technology Corporation (NET)

Scope: The Consultant will develop the Federally required Southern California Regional Intelligent Transportation Systems (ITS) Architecture, update the ITS architecture for Ventura, Orange and Imperial Counties, and provide the required maintenance plan for updating the Regional Architecture, as appropriate to incorporate new user services. The Regional Architecture will be developed as required to allow for continued eligibility of federal funding for ITS projects and to guide the region in the integration of such services to improve mobility.

Contract Amount:	Total not to exceed	\$548,688
	NET Corporation(prime)	\$308,024
	URS Corporation(subcontractor)	\$119,198
	TES Inc. (subcontractor)	\$ 44,720
	Albert Grover (subcontractor)	\$ 32,004
	ITS Consensus (subcontractor)	\$ 14,040
	Franklin Hill (subcontractor)	\$ 14,952
	Amelia Reagan (subcontractor)	\$ 8,100
	Other Direct Costs (eg. postage, travel, etc.)	\$ 7,650

Contract Period: July 1, 2004 through June 30, 2005

Work Element: 05-255.SCGC1 \$ 548,688 (Funding source: FHWA – subject to approval of SCAG’s FY 04-05 budget)

Request for Proposal: SCAG staff mailed postcards to 86 pre-qualified firms on SCAG’s bidders list to notify them of the release of RFP No. 04-031. The RFP was also posted on SCAG’s website. The following four proposals were received in response to the solicitation:

DKS (2 subcontractors)	\$497,193
Iteris Inc. (2 subcontractors)	\$550,230
Kimley Horn (3 subcontractors)	\$550,409
National Engineering Tech. (6 subcontractors)	\$548,688

Selection Process: The Proposal Review Committee (PRC) evaluated all four proposals in accordance with the criteria set forth in the RFP, and the selection process was conducted in a manner consistent with all applicable Federal and State contracting regulations. Interviews were held with all four offerors.

The PRC was comprised of the following individuals:

Terry Wong, ITS Development, Caltrans District 7
Peter Liu, Project Manager, LACMTA, Reg. Integ. ITS
Steve De George, ITS Program Manager, VCTC
Kelly Lynn, Planner ITS Program, SANBAG
Bob Huddy, Senior Planner ITS, SCAG

Basis for Selection:

The PRC recommends National Engineering Technology Corporation (NET) for the contract award because of NET's experience and knowledge of ITS Architecture requirements, successful completion of numerous similar projects, impressive responses to the questions posed during the interview, and excellent past performance record. In addition, the PRC was very pleased with NET's experience with local ITS Architecture development, including the Regional Integration of Intelligent Transportation Systems (RIITS) project at Los Angeles County Metropolitan Transportation Authority (LACMTA). NET received the highest cumulative evaluation score of the four consultants. Although NET did not have the least expensive proposal, the PRC felt that the additional hours in NET's proposal, and superior experience outweighed the cost differential with the low bidder.

CONSULTANT CONTRACT

Consultant:

Rafiq & Associates

Scope:

The Southern California Inter-Regional Rail Study will provide the first complete picture of passenger travel on Metrolink and Amtrak services between the SCAG region and San Diego County. The project approach consists of appending San Diego County onto SCAG's Regional Model and developing an inter-city rail-modeling component. The Southern California Inter-Regional Rail Study is a cooperative effort being conducted jointly by SANDAG, the Consultant, and SCAG. SANDAG will assist in coordinating the San Diego portion of the project. The Consultant will be responsible for data gathering, developing the model inputs, and creating the Final Project Report. SCAG will be responsible for managing the project and performing the model development and model validation tasks.

Contract Amount:

Total not to exceed	\$129,905
Rafiq & Associates	\$ 79,660
DB Consulting (subcontractor)	\$ 30,245
Strata Research (subcontractor)	\$ 20,000

Contract Period:

July 1, 2004 through June 30, 2005

Work Element:

05-155.SCGC1 \$ 129,905 (Funding source: 5313b)

Request for Proposal:

SCAG staff mailed postcards to 92 pre-qualified firms on SCAG's bidders list to notify them of the release of RFP No. 05-001. The RFP was also posted on SCAG's website. The following five proposals were received in response to the solicitation:

Cambridge Systematics (2 subcontractors)	\$137,855
IBI Group (1 subcontractor)	\$138,994
Meyers Mohaddes, Inc. (1 subcontractor)	\$138,702
Rafiq & Associates (2 subcontractors)	\$129,905
Transcore Inc. (2 subcontractors)	\$138,997

Selection Process:

The Proposal Review Committee (PRC) evaluated all five proposals in accordance with the criteria set forth in the RFP, and the selection process was conducted in a manner consistent with all applicable Federal and State contracting regulations. Interviews were held with all five offerors.

The PRC was comprised of the following individuals:

Henning Eichler, Research Manager, SCRRA
Ed Humenik, Senior Transportation Planner, Caltrans
Deng Bang Lee, Manager of Modeling, SCAG
Sina Zarifi, Senior Planner, SCAG

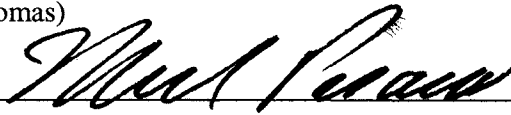
Basis for Selection:

After a careful evaluation, the Proposal Review Committee (PRC) recommends that Rafiq & Associates be awarded the Southern California Inter-Regional Rail Study contract. The PRC gave Rafiq & Associates the highest total score in the proposal and interview evaluation process. The PRC agreed that Rafiq & Associates has superior data gathering and data processing skills, and extensive knowledge and experience working with the Socio-Economic Data (SED) inputs that drive the transportation model. They have specific experience working with SCAG's Model SED inputs and stressed the need for data consistency between the SCAG and SANDAG model inputs with proposed superior quality assurance measures. Rafiq & Associates key staff assigned to the project are locally based and pledge to be accessible to SCAG throughout the study process. In addition, Rafiq & Associates proposed the lowest total cost and allocated the least amount of cost to project administration. Their task descriptions, task budget, and schedule are reasonable and are consistent with the RFP.

REPORT

DATE: June 3, 2004
TO: The Regional Council
FROM: Charlotte Eckelbecker, Government Affairs Analyst
Phone: (213) 236-1811 E-Mail: eckelbec@scag.ca.gov
SUBJECT: Letter in Support of S. 1107 (Thomas)

EXECUTIVE DIRECTOR'S APPROVAL



RECOMMENDED ACTION: Authorize submittal of letter

SUMMARY:

S. 1107, introduced by Senator Craig Thomas (R-WY), makes permanent a user fee presently collected as a demonstration project by the National Park Service. The fees are used for visitor services, maintenance and repair of facilities, and cultural and natural resource management. The EEC heard S. 1107 as an information item last month at the request of a committee member. The EEC was supportive of the bill and asked that a letter be sent to the author addressing Congress' ongoing need to commit funds to parks and extending the bill to the National Forest Service. The letter is attached for the Regional Council's approval.

BACKGROUND:

Senator Craig Thomas (R-WY) introduced S. 1107, the Recreational Fee Authority Act of 2004, on May 20, 2003 to make permanent a user fee currently collected by the National Park Service as part of a demonstration project slated to sunset in 2005. S. 1107 has been heard by the Senate Committee on Energy and Natural Resources Subcommittee on National Parks and has been reported from the Committee with a favorable amendment. S. 1107 remains on the Senate Legislative Calendar under General Orders, No. 443.

Since its inception in 1997, the fee demonstration project that would be made permanent in S. 1107 has collected over \$708 million for visitor services, maintenance and repair of facilities, and cultural and natural resource management. Parks participating in the demonstration project may keep up to 80 percent of fees they collect; the remaining 20 percent are shared on a service-wide basis among non-participating parks. The Secretary of the Interior determines which parks may collect fees and sets the fee rate. S. 1107 extends the demonstration project indefinitely.

The EEC was supportive of S. 1107 and asked that a letter be sent to the author stressing that the fee should not replace ongoing and adequate congressional funding. Furthermore, the fee should be extended to the National Forest Service. The letter is attached for the Regional Council's approval.

FISCAL IMPACT:

All work related to adopting the recommended staff action is contained within the adopted FY 03/04 budget and adopted 2004 SCAG Legislative Program and does not require the allocation of any additional financial resources.

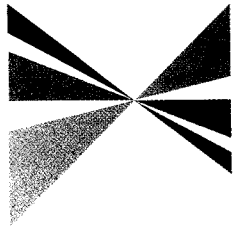
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818 West Seventh Street

12th Floor

Los Angeles, California

90017-3435

t (213) 236-1800

f (213) 236-1825

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Orange County Transportation Authority: Charles Smith, Orange County

Riverside County Transportation Commission: Robin Lowe, Hemet

Ventura County Transportation Commission: Bill Davis, Simi Valley

June 3, 2004

The Honorable Craig Thomas
United States Senate
307 Dirksen Senate Office Building
Washington, DC 20510

Regarding: S. 1107 Recreational Fee Authority Act of 2004

Dear Senator Thomas:

The Southern California Association of Governments (SCAG) is the federally designated metropolitan planning organization for the six-county Southern California region. On behalf of the Regional Council, SCAG's governing body, I write to share with you our thoughts on S. 1107, the Recreational Fee Authority Act of 2004.

SCAG's Energy and Environment Committee recently considered S. 1107, which would permanently authorize the Adventure Pass, the fee that is collected in several national parks. The Committee was supportive of S. 1107 and believed the fee should supplement, but not replace, ongoing and adequate congressional funding. Furthermore, the Adventure Pass program should be extended to the National Forest Service so it, too, can address its backlog of deferred maintenance with Adventure Pass revenues.

During the discussion of the Adventure Pass program, it was noted that some Southern Californian parks had occasionally run out of passes, at which point the fee could not be collected. We hope that if the program is permanently continued, problems in supply will be remedied to fully maximize the program's benefits.

Thank you for your efforts on S. 1107 and the Adventure Pass. If you have any questions, please contact Charlotte Eckelbecker, SCAG Government Affairs Analyst, at (213) 236-1811 or eckelbec@scag.ca.gov.

Sincerely,

RON ROBERTS
President, SCAG
Councilmember, City of Temecula

CAE#98964

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REPORT

DATE: May 12, 2004

TO: Administration Committee/Regional Council

FROM: Bob Huddy, Senior Transportation Planner
(213) 236-1972, huddy@scag.ca.gov

SUBJECT: Authorization to execute MOU with Riverside Transit Agency (RTA) for the
Riverside Intelligent Transportation Systems (ITS) Transit Project

EXECUTIVE DIRECTOR'S APPROVAL:



RECOMMENDED ACTION:

Authorize execution of MOU between SCAG and RTA to carry out work on the Riverside ITS Transit Project pursuant to Federal Highway Administration Grant ITS 00-6049(007) and Federal Transit Administration Grant CA 03 0526.

BACKGROUND:

SCAG applied for and was awarded \$791,470.00 in FHWA ITS Funds and \$977,196.00 in FTA ITS funds through Caltrans and FTA. The purpose of the grants is to implement a Riverside ITS Transit Project, specifically integration of ITS technologies on the Riverside Transit Agency and SunLine Transit properties to improve the safety and efficiency of transit operations. The MOU requested for this project will supersede a previous MOU for this project for RTA to manage implementation of the project.

FISCAL IMPACT:

RTA will provide \$280,444 cash to match this grant, and SunLine will provide \$280,444 cash to match this grant. This project has been programmed in the FY 2003-04 and FY 2004-05 SCAG Overall Work Program.

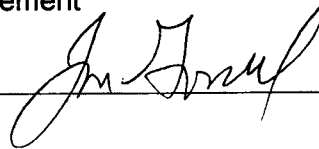
PRELIMINARY AGENDA

- I. Call to Order
- II. Welcome to Participants
- III. Self Introductions including Descriptions of their Subregional Areas and Significant Issues
- IV. Overview of SCAG/SBCAG Geography and Demographics Desirability for Mutual Communication
- V. Interregional Partnership for Jobs/Housing Balance
- VI # 101 In Motion
- VII. Public Communications and Comments
- VIII. Set Time and Place of Next Meeting
- X. Adjournment

This is tentative and subject to modification. Items 5 and 6 are brandednames of projects that SBCAG and VCOG are currently working on together.

REPORT

DATE: May 21, 2004
TO: Administration Committee
Regional Council
FROM: Chief Counsel
SUBJECT: Proposed New Master Fund Transfer Agreement



RECOMMENDATION: Authorize the Executive Director to take appropriate action regarding the new Proposed Master Fund Transfer Agreement.

SUMMARY:

Late in calendar year 2003, Caltrans requested all MPO's, in the state, including SCAG to enter into a new proposed Master Fund Transfer Agreement ("MFTA"). The MFTA is the agreement by which Caltrans administers the Consolidated Planning Grant ("CPG") funds. The MFTA incorporates the Overall Work Program and serves as the basis governing Caltrans administrative oversight of SCAG. Caltrans indicated that the need to enter into a new MFTA arose from their desire to update, clarify and improve the MFTA, however, at least in the case of SCAG, the existing MFTA had not expired and to enter into a new MFTA in the middle of a fiscal year would have caused tremendous administrative burdens since under the proposed new MFTA, SCAG would have been required to amend its existing consulting agreements in order accommodate the new Caltrans requirements.

In addition to requiring SCAG to amend its consulting agreements in the middle of the fiscal year, under the proposed new MFTA SCAG would be subject to new requirements, including arbitration and would limit SCAG's ability to invoice Caltrans to only once a month, in contrast to the existing authority of twice a month. Because of these adverse consequences, SCAG, along with others in the state submitted comments to Caltrans objecting to the proposed MFTA. The new proposed MFTA had not been the subject of any substantial discussion between Caltrans and the affected parties.

Caltrans has been reviewing the comments submitted by SCAG and others. Despite SCAG's suggestion, Caltrans did not schedule a meeting or conference call to discuss SCAG's concerns. Instead, Caltrans provided a written response to our comments with a new version of the proposed MFTA which Caltrans has indicated will not be changed any further and must be executed no later than July 1. Additionally, Caltrans in its letter to SCAG has formally provided a notice to terminate the existing MFTA. Thus, if SCAG does not execute the new MFTA by the July 1 deadline established by Caltrans, there would be no agreement by which Caltrans would provide the CPG funding to SCAG.

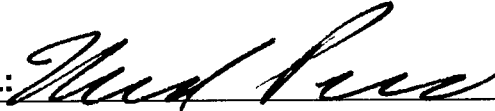
REPORT

The revised MFTA addresses some of SCAG's concerns but some issues remain unresolved. Staff as of this writing is still analyzing and discussing with appropriate parties the impact of the new provisions of the revised MFTA. Staff will be prepared with a recommendation at your June 3 meeting.

REPORT

DATE: May 18, 2004
TO: Administration Committee
FROM: Chief Counsel
SUBJECT: Delegation of Authority

EXECUTIVE DIRECTOR'S APPROVAL:



RECOMMENDATION:

Adopt the attached Resolution authorizing the Executive Director to delegate authority to act in his absence or incapacity on any matter within his authority pursuant to a written delegation of authority to the Deputy Executive Director.

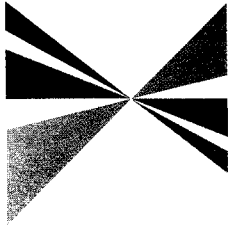
REPORT:

SCAG does not have a formal comprehensive written delegation of authority to provide for the circumstances in which the Executive Director is unavailable or incapacitated. Instead each year, with the approval of the Overall Work Program by resolution of the Regional Council, the Deputy Director is authorized to sign OWP related documents in the event that the Executive Director is unable to execute the documents himself. However, there is no written policy with regard to other matters. In order to eliminate the need to pass an annual resolution and to make it clear that the Deputy Executive Director may act in place of the Executive Director for all purposes, it is proposed that the Administration Committee and the Regional Council authorize the Executive Director to delegate his authority to the Deputy Executive Director to sign any and all documents in the event that the Executive Director is absent, unable to act in person or is otherwise incapacitated.

The attached Resolution would authorize this delegation.

Resolution #04-453-1

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818 West Seventh Street

12th Floor

Los Angeles, California

90017-3435

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f (213) 236-1825

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**RESOLUTION OF THE SOUTHERN CALIFORNIA ASSOCIATION OF
GOVERNMENTS TO AUTHORIZE THE EXECUTIVE DIRECTOR TO
DELEGATE AUTHORITY IN HIS ABSENCE OR INCAPACITY TO THE
DEPUTY EXECUTIVE DIRECTOR**

WHEREAS, the Southern California Association of Governments (SCAG) is a Joint Powers Agency, established under California Government Code section 6502 et seq.

WHEREAS, SCAG is the Metropolitan Planning Organization (MPO) for six counties: Los Angeles, Orange, San Bernardino, Riverside, Ventura and Imperial;

WHEREAS, pursuant to its Bylaws, SCAG has designated the Executive Director to be the Chief Administrative Officer of SCAG with the authority to administer the affairs of the Association;

WHEREAS, to enhance the administrative efficiency of SCAG it is necessary to formally recognize that the Executive Director may delegate his authority to the Deputy Executive Director;

NOW, THEREFORE, BE IT RESOLVED by the Regional Council of SCAG, that:

SCAG does hereby approve and authorize the Executive Director to delegate to the Deputy Executive Director the authority to act in the absence or incapacity of the Executive Director on all matters within the authority of the Executive Director.

APPROVED AND ADOPTED by a unanimous or majority vote of the Regional Council of SCAG at it's regular meeting of June 3, 2004.

Ron Roberts
President, SCAG
Councilmember, City of Temecula

Mark Pisano
Executive Director

Karen Tachiki
SCAG Chief Legal Counsel

Attest:



REPORT

DATE: June 3, 2004

TO: Administration Committee/Regional Council

FROM: Sina Zarifi, Senior Transportation Planner
(213) 236-1853, zarifi@scag.ca.gov

SUBJECT: Authorization to Execute MOU with CSULA for Transit Professional Development Program Grants Awarded to CSULA

EXECUTIVE DIRECTOR'S APPROVAL:

RECOMMENDED ACTION:

Authorize execution of Memorandum of Understanding (MOU) between SCAG and the California State University Los Angeles (CSULA) for grants awarded to CSULA by the Federal Transit Administration (FTA).

BACKGROUND:

CSULA applied for and was awarded three \$50,000 grants under the Transit Professional Development program through the FTA. These grants will provide funding for the Transit Security Management Training and Internship and Training in Transit Planning projects. The projects will provide training workshops to students, transit personnel and others involved in transit planning and transit security. The projects will be completed by the end of June 2005.

FISCAL IMPACT:

CSULA will provide local, in-kind match in the amount of \$6,478 for each grant. The projects have been programmed in the FY 2004-2005 SCAG Overall Work Program.

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REPORT

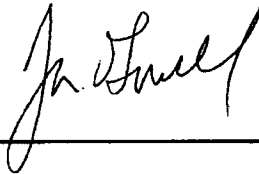
DATE: June 3, 2004

TO: Regional Council

FROM: Arnold San Miguel, Senior Government Affairs Analyst (909) 784-3526
E-mail: sanmiguel@scag.ca.gov

SUBJECT: Approve submission of letter supporting House and Senate Bill provisions to fund transportation programs for Indian Reservations in the reauthorization of TEA-21.

EXECUTIVE DIRECTOR'S APPROVAL:



RECOMMENDED ACTION: Approve submittal of a letter to the House of Representative and U.S. Senate Conferees supporting specific provisions related to funding roads, bridges, transit and safety programs for Indian Reservations in the reauthorization of TEA-21.

BACKGROUND: At the February 20, 2004 SCAG Summit with Tribal Nations it was requested that SCAG send a letter of support for the funding of the Indian Road Reservation program in the reauthorization of TEA-21. In early April both the House of Representatives and the United States Senate passed legislation (HR. 3550 and S. 1072) to re-authorize TEA-21. The House version (HR 3550) provides \$2.315 billion (over six years) for the Indian Road Reservation program and the Senate version includes \$2.175 billion over a period of six years (FY04 – FY09). The Senate version is \$140 million less than the House version, however the Senate version includes a \$15 million annual set aside for IRR Bridges; \$5 million per year for transit increasing to \$9 million in 2009; and \$2.7 million for highway safety programs.

FISCAL IMPACT: None



REPORT

TO: Regional Council

FROM: Community, Economic and Human Development Committee (CEHD)
Jacob Lieb, Acting Lead Regional Planner, (213) 236-1921, lieb@scag.ca.gov

SUBJECT: Housing Legislation

DATE: June 3, 2004

EXECUTIVE DIRECTOR'S APPROVAL:

Mark Pucaro

RECOMMENDED ACTION:

Support AB 2158 (Lowenthal) and AB 2348 (Mullin).

BACKGROUND:

One May 6, 2004, the CEHD Committee unanimously recommended support of AB 2158 and AB 2348. Staff began providing regular updates on the progress of the Statewide Housing Element Working Group, and other legislative issues relating to the conduct of the Regional Housing Needs Assessment (RHNA), in August 2003. As of March 16, the working group formally concluded its deliberations and provided consensus recommendations to the Legislature. These recommendations cover regional issues, as discussed below, which are included in AB 2158 (attached).

In negotiating these issues within the Working Group, staff was guided by SCAG's Housing Element Reform Priorities, adopted by the Regional Council in January 2002 (attached). The result is the best possible fit with these priorities within a consensus process. The responsiveness to priorities is discussed briefly as follows:

1. Basing the RHNA on the Regional Transportation Plan
The consensus agreement calls for the COG to request use of the RTP forecast and timelines as the basis for the regional housing need determination.
2. Addressing inconsistencies in state policies affecting local land use
The allocation methodology within the proposed new process would call for the COG to account for the ways in which State land use policies affect the ability of local governments to develop new housing.
3. Allow consideration of extenuating circumstances at the local level
The consensus agreement calls for the COG to use a allocation method incorporating specific factors. These factors quantify the opportunities and constraints for housing development affecting local governments.
4. Provide for incentives to address housing need
The working group recommendations do not provide any direct incentives for addressing housing need, a predictable result given the State budget crisis. However, staff is hopeful that on-going negotiations will allow for a performance-based local certification option, that would provide some incentive to local governments.

Docs#97921v



REPORT

Also of note, the recommendations would create refinements in the sub-regional delegation program. The proposed new program would call for sub-regions accepting delegation to assume the authorities and responsibilities otherwise given to the regional COG, and would allow sub-regions to seek reimbursement.

The working group's recommendations on other (non-regional issues) are included in AB 2348 (attached). This bill includes language that would provide clarity on how local governments are to identify sites, and how to ensure that sites are available for housing, within the context of the Housing Element.

Finally, the group failed to reach consensus on various issues including a proposed program for local certification of Housing Elements, and on penalties for Housing Element non-compliance. Several members of the Working Group are continuing discussions around these issues, and staff will continue to report on any progress made.

ATTACHMENTS:

Text of Bills

FISCAL IMPACT:

SCAG's activities in pursuing legislation are included in the agency Overall Work Program for FY03-04. The recommended action would not incur any additional costs.

Docs#97921v



SOUTHERN CALIFORNIA
ASSOCIATION of GOVERNMENTS

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BILL NUMBER: AB 2158 AMENDED
BILL TEXT

AMENDED IN ASSEMBLY MAY 10, 2004
AMENDED IN ASSEMBLY APRIL 12, 2004

INTRODUCED BY Assembly Member Lowenthal

FEBRUARY 18, 2004

An act to amend Section 65582 of, to add Sections 65584.01, 65584.02, 65584.03, 65584.04, 65584.05, 65584.06, and 65584.07 to, and to repeal and add Section 65584 of, the Government Code, relating to general plans.

LEGISLATIVE COUNSEL'S DIGEST

AB 2158, as amended, Lowenthal. Housing elements: regional housing need.

(1) Existing law requires each city, county, or city and county to prepare and adopt a general plan for its jurisdiction that contains certain mandatory elements, including a housing element. One part of the housing element is an assessment of housing needs and an inventory of resources and constraints relevant to meeting those needs. The assessment includes the locality's share of the regional housing need. That share is determined by the appropriate council of governments, subject to revision by the Department of Housing and Community Development. A city, county, or city and county is required to submit a draft housing element or draft amendment to its housing element to the department for a determination of whether the draft complies with state law governing housing elements.

This bill would revise the procedures for determining shares of the existing and projected regional housing need for cities, counties, and subregions at all income levels, as specified. By imposing additional duties upon local officials, this bill would create a state-mandated local program.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

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Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 65582 of the Government Code is amended to read:

65582. As used in this article:

(a) "Community," "locality," "local government," or "jurisdiction" means a city, city and county, or county.

(b) "Council of governments" means a single or multicounty council created by a joint powers agreement pursuant to Chapter 5 (commencing with Section 6500) of Division 1 of Title 1.

(c) "Department" means the Department of Housing and Community Development.

(d) "Housing element" or "element" means the housing element of the community's general plan, as required pursuant to this article and subdivision (c) of Section 65302.

SEC. 2. Section 65584 of the Government Code is repealed.

SEC. 3. Section 65584 is added to the Government Code, to read:

65584. (a) (1) For the fourth and subsequent revisions of the housing element pursuant to Section 65588, the department shall determine the existing and projected need for housing for each region pursuant to this article. For purposes of subdivision (a) of Section 65583, the share of a city or county of the regional housing need shall include that share of the housing need of persons at all income levels within the area significantly affected by the general plan of the city or county.

(2) While it is the intent of the Legislature that cities, counties, and cities and counties should undertake all necessary actions to encourage, promote, and facilitate the development of housing to accommodate the entire regional housing need, it is recognized, however, that future housing production may not equal the regional housing need established for planning purposes.

(b) The department, in consultation with each council of governments, shall determine each region's existing and projected housing need pursuant to Section 65584.01 at least two years prior to the scheduled revision required pursuant to Section 65588. The appropriate council of governments, or for cities and counties without a council of governments, the department, shall adopt a final regional housing need plan that allocates a share of the regional housing need to each city, county, or city and county at least one year prior to the scheduled revision for the region required by Section 65588. The allocation plan prepared by a council of governments shall be prepared pursuant to Sections 65584.04 and 65584.05 with the advice of the department.

(c) Notwithstanding any other provision of law, the due dates for the determinations of the department or for the councils of

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governments, respectively, regarding the regional housing need may be extended by not more than 60 days if the extension will enable access to more recent critical population or housing data from a pending or recent release of the United States Census Bureau or the Department of Finance. If the due date for the determination of the department or the council of governments is extended for this reason, the department shall extend the corresponding housing element revision deadline pursuant to Section 65588 by not more than 60 days.

(d) The regional housing needs allocation plan shall be consistent with all of the following objectives:

(1) Increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner, which shall result in each jurisdiction receiving an allocation of units for low and very low income households.

(2) Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, and the encouragement of efficient development patterns.

(3) Promoting an improved intraregional relationship between jobs and housing.

(4) Allocating a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category, as compared to the countywide distribution of households in that category from the most recent decennial United States census.

(e) For purposes of this section, "household income levels" are as determined by the department as of the most recent decennial census pursuant to the following code sections:

(1) Very low incomes as defined by Section 50105 of the Health and Safety Code.

(2) Lower incomes, as defined by Section 50079.5 of the Health and Safety Code.

(3) Moderate incomes, as defined by Section 50093 of the Health and Safety Code.

(4) Above moderate incomes are those exceeding the moderate income level of Section 50093 of the Health and Safety Code.

(f) A fee may be charged to interested parties for any additional costs caused by the amendments made to subdivision (c) by Chapter 1684 of the Statutes of 1984 reducing from 45 to seven days the time within which materials and data shall be made available to interested parties.

(g) Determinations made by the department, a council of governments, or a city or county pursuant to this section are exempt from the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

SEC. 4. Section 65584.01 is added to the Government Code, to read:

65584.01. (a) For the fourth and subsequent revision of the housing element pursuant to Section 65588, the department, in

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consultation with each council of governments, shall determine the existing and projected need for housing for each region in the following manner:

(b) The department's determination shall be based upon population projections produced by the Department of Finance and regional population forecasts used in preparing regional transportation plans, and consultation with each council of governments. If the total regional population forecast for the planning period, developed by the council of governments and used for the preparation of the regional transportation plan, is within a range of 3 percent of the total regional population forecast for the planning period over the same time period by the Department of Finance, then the population forecast developed by the council of governments shall be the basis from which the department determines the existing and projected need for housing in the region. If the difference between the total population growth projected by the council of governments and the total population growth projected for the region by the Department of Finance is greater than 3 percent, then the department and the council of governments shall meet to discuss variances in methodology used for population projections and seek agreement on a population projection for the region to be used as a basis for determining the existing and projected housing need for the region. If no agreement is reached, then the population projection for the region shall be the population projection for the region prepared by the Department of Finance as may be modified by the department as a result of discussions with the council of governments.

(c) (1) At least 26 months prior to the scheduled revision pursuant to Section 65588 and prior to developing the existing and projected housing need for a region, the department shall meet and consult with the council of governments regarding the assumptions and methodology to be used by the department to determine the region's housing needs. The council of governments shall provide data assumptions from the council's projections, including, if available, the following data for the region:

(A) Anticipated household growth associated with projected population increases.

(B) Household size data and trends in household size.

(C) The rate of household formation, or headship rates, based on age, gender, ethnicity, or other established demographic measures.

(D) The vacancy rates in existing housing stock, and the vacancy rates for healthy housing market functioning and regional mobility, as well as housing replacement needs.

(E) Other characteristics of the composition of the projected population.

(2) The department may accept or reject the information provided by the council of governments or modify its own assumptions or methodology based on this information. After consultation with the council of governments, the department shall make determinations in writing on the assumptions for each of the factors listed in subparagraphs (A) to (E), inclusive, of paragraph (1) and the

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methodology it shall use and shall provide these determinations to the council of governments.

(d) (1) After consultation with the council of governments, the department shall make a determination of the region's existing and projected housing need based upon the assumptions and methodology determined pursuant to subdivision (c). Within 30 days following notice of the determination from the department, the council of governments may file an objection to the department's determination of the region's existing and projected housing need with the department.

(2) The objection shall be based on and substantiate either of the following:

(A) The department failed to base its determination on the population projection for the region established pursuant to subdivision (b), and shall identify the population projection which the council of governments believes should instead be used for the determination and explain the basis for its rationale.

(B) The regional housing need determined by the department is not a reasonable application of the methodology and assumptions determined pursuant to paragraph (1) of subdivision (c). The objection shall include a proposed alternative determination of its regional housing need based upon the data items set forth in paragraph (1) of subdivision (c), including analysis of why the proposed alternative would be a more reasonable application of the methodology and assumptions determined pursuant to paragraph (1) of subdivision (c).

(3) If a council of governments files an objection pursuant to this subdivision and includes with the objection a proposed alternative determination of its regional housing need, it shall also include documentation of its basis for the alternative determination. Within 45 days of receiving an objection filed pursuant to this section, the department shall consider the objection and make a final written determination of the region's existing and projected housing need that includes an explanation of the information upon which the determination was made.

SEC. 5. Section 65584.02 is added to the Government Code, to read:

65584.02. To the extent practical, the determination of regional housing need made by the department in consultation with each council of governments should be coordinated with regional transportation planning performed by the council of governments in response to federal and state requirements. Notwithstanding this intent, and because these plans have different applications, this section should not be construed to require use of the same data, assumptions, or methodology in the regional housing need determination and the regional transportation plan.

(a) For the fourth and subsequent revisions of the housing element pursuant to Section 65588, the existing and projected need for housing may be determined for each region by the department as follows, as an alternative to the process pursuant to Section

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65584.01:

(1) In a region in which at least one subregion has accepted delegated authority pursuant to Section 65584.03, the region's housing need shall be determined at least 28 months prior to the housing element update deadline pursuant to Section 65588. In a region in which no subregion has accepted delegation pursuant to Section 65584.03, the region's housing need shall be determined at least 24 months prior to the housing element deadline.

(2) At least six months prior to the determination of regional need, a council of governments may request the use of population and household forecast assumptions used in the regional transportation plan. For a housing element update due date pursuant to Section 65588 that is prior to January 2007, the department may approve a request that is submitted prior to December 31, 2004, notwithstanding the deadline in this section. This request shall include all of the following:

(A) Proposed data and assumptions for factors contributing to housing need beyond household growth identified in the forecast. These factors shall include allowance for vacant or replacement units, and may include other adjustment factors.

(B) A proposed planning period that is not longer than the period of time covered by the regional transportation improvement plan or plans of the region pursuant to Section 14527, but a period not less than five years, and not longer than six years.

(C) A comparison between the population and household assumptions used for the Regional Transportation Plan with population and household estimates and projections of the Department of Finance.

The council of governments may include a request to extend the housing element deadline pursuant to Section 65588 to a date not to exceed two years, for the purpose of coordination with the scheduled update of a regional transportation plan pursuant to federal law.

(3) The department shall consult with the council of governments regarding requests submitted pursuant to paragraph (2) of subdivision (a). The department may seek advice and consult with the Demographic Research Unit of the Department of Finance, the State Department of Transportation, a representative of a contiguous council of governments, and any other party as deemed necessary. The department may request that the council of governments revise data, assumptions, or methodology to be used for the determination of regional housing need, or may reject the request submitted pursuant to paragraph (2) of subdivision (a). Subsequent to consultation with the council of governments, the department will respond in writing to requests submitted pursuant to paragraph (1) of subdivision (a).

(4) If the council of governments does not submit a request pursuant to subdivision (a), or if the department rejects the request of the council of governments, the determination for the region shall be made pursuant to Sections 65584 and 65584.01.

SEC. 6. Section 65584.03 is added to the Government Code, to read:

65584.03. (a) At least 28 months prior to the scheduled housing

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element update required by Section 65588, at least two or more cities and a county, or counties, may form a subregional entity for the purpose of allocation of the subregion's existing and projected need for housing among its members in accordance with the allocation methodology established pursuant to Section 65584.04. The purpose of establishing a subregion shall be to recognize the community of interest and mutual challenges and opportunities for providing housing within a subregion. A subregion formed pursuant to this section may include a single county and each of the cities in that county or any other combination of geographically contiguous local governments and shall be approved by the adoption of a resolution by each of the local governments in the subregion as well as by the council of governments. All decisions of the subregion shall be approved by vote as provided for in rules adopted by the local governments comprising the subregion or shall be approved by vote of the county or counties, if any, and the majority of the cities with the majority of population within a county or counties.

(b) Upon formation of the subregional entity, the entity shall notify the council of governments of this formation. If the council of governments, or the department where there is no council of governments, has not received notification from an eligible subregional entity at least 27 months prior to the scheduled housing element update required by Section 65588, the council of governments, or the department where there is no council of governments, shall implement the provisions of Sections 65584 and 65584.04. The delegate subregion and the council of governments shall enter into an agreement that sets forth the process, timing, and other terms and conditions of the delegation of responsibility by the council of governments to the subregion.

(c) At least 25 months prior to the scheduled revision, the council of governments, or the department where there is no council of governments, shall determine the share of regional housing need assigned to each delegate subregion. The share or shares allocated to the delegate subregion or subregions by a council of governments shall be in a proportion consistent with the distribution of households assumed for the comparable time period of the applicable regional transportation plan. Prior to allocating the regional housing needs to any delegate subregion or subregions, the council of governments or the department will hold at least one public hearing, and may consider requests for revision of the proposed allocation to a subregion. If a proposed revision is rejected, the council of governments shall respond with a written explanation of why the proposed revised share has not been accepted.

(d) If an eligible subregional entity fails to complete the regional housing need allocation process among its member jurisdictions in a manner consistent with this section and with the delegation agreement between the subregion and the council of governments, the allocations to member jurisdictions shall be made by the council of governments, or by the department where there is no council of governments.

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SEC. 7. Section 65584.04 is added to the Government Code, to read:

65584.04. (a) At least two years prior to a scheduled revision required by Section 65588, each council of governments, or delegate subregion as applicable, shall develop a proposed methodology for distributing the existing and projected regional housing need to cities, counties, or subregions, where applicable pursuant to this section. The principles of subdivision (d) of Section 65584 shall be considered in development of the methodology.

(b) (1) No more than six months prior to the development of a proposed methodology for distributing the existing and projected housing need, each council of governments shall survey each of its member jurisdictions to request, at a minimum, information regarding the factors listed in subdivision (d) that will allow the development of a methodology based upon the factors established in subdivision (d).

(2) The information shall be obtained in a manner and format that is comparable throughout the region and utilize readily available data to the extent possible.

(3) The information provided by a local government pursuant to this section shall be used, to the extent possible, by the council of governments, or delegate subregion as applicable, as source information for the methodology developed pursuant to this section. The survey shall state that none of the information received may be used as a basis for reducing the total housing need established for the region pursuant to Section 65584.01.

(4) If the council of governments fails to conduct a survey pursuant to this subdivision, a city, county, or city and county may submit information related to the items listed in subdivision (d) prior to the public comment period provided for in subdivision (c).

(c) Public participation and access shall be required in the development of the methodology and in the process of drafting and adoption of the allocation of the regional housing needs. Participation by organizations other than local jurisdictions and councils of governments shall be solicited in a diligent effort to achieve public participation of all economic segments of the community. The proposed methodology, along with any relevant underlying data and assumptions, and an explanation of how information about local government conditions pursuant to subdivision (b) has been used to develop the proposed methodology, and how each of the factors listed in subdivision (d) is incorporated into the methodology, shall be distributed to all cities, counties, any subregions, and members of the public who have made a written request for the proposed methodology. The council of governments, or delegate subregion, as applicable, shall conduct at least one public hearing to receive oral and written comments on the proposed methodology.

(d) To the extent that sufficient data is available from local governments pursuant to subdivision (b) or other sources, each council of governments, or delegate subregion as applicable, shall

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include the following factors to develop the methodology that allocates regional housing needs:

(1) Each member jurisdiction's existing jobs and housing relationship.

(2) The opportunities and constraints to development of additional housing in each member jurisdiction, including all of the following:

(A) Lack of capacity for sewer or water service due to federal or state laws, regulations or regulatory actions, or supply and distribution decisions made by a sewer or water service provider other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period.

(B) The availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities. The council of governments may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality, but shall consider the potential for increased residential development under alternative zoning ordinances and land use restrictions.

(C) Lands preserved or protected from urban development under existing federal or state programs, or both, designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis.

(D) County policies to preserve prime agricultural land, as defined pursuant to Section 56064, within an unincorporated area.

(3) The distribution of household growth assumed for purposes of a comparable period of regional transportation plans and opportunities to maximize the use of public transportation and existing transportation infrastructure.

(4) The market demand for housing.

(5) Agreements between a county and cities in a county to direct growth toward incorporated areas of the county.

~~(6) Any other factors adopted by the council of governments.~~

~~(7)~~

(6) The loss of units contained in assisted housing developments, as defined in paragraph (8) of subdivision (a) of Section 65583, that changed to non-low-income use through mortgage prepayment, subsidy contract expirations, or termination of use restrictions.

~~(8)~~

(7) High housing costs burdens.

~~(9)~~

(8) The housing needs of farmworkers.

(9) Any other factors adopted by the council of governments.

(e) The council of governments, or delegate subregion, as applicable, shall explain in writing how each of the factors

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described in subdivision (d) was incorporated into the methodology and how the methodology is consistent with subdivision (d) of Section 65584. The methodology may include numerical weighting.

(f) Any ordinance, policy, voter-approved measure, or standard of a city or county that directly or indirectly limits the number of residential building permits issued by a city or county shall not be a justification for a determination or a reduction in the share of a city or county of the regional housing need.

(g) In addition to the factors identified pursuant to subdivision (d), the council of governments, or delegate subregion, as applicable, shall identify any existing local, regional, or state incentives, such as a priority for funding or other incentives available to those local governments that are willing to accept a higher share than proposed in the draft allocation to those local governments by the council of governments pursuant to Section 65584.05.

(h) Following the conclusion of the 60-day public comment period described in subdivision (c) on the proposed allocation methodology, and after making any revisions deemed appropriate by the council of governments, or delegate subregion, as applicable, as a result of comments received during the public comment period, each council of governments, or delegate subregion, as applicable, shall adopt a final regional, or subregional, housing need allocation methodology and provide notice of the adoption of the methodology to the jurisdictions within the region, or delegate subregion as applicable, and to the department.

SEC. 8. Section 65584.05 is added to the Government Code, to read:

65584.05. (a) At least one and one-half years prior to the scheduled revision required by Section 65588, each council of governments shall distribute a draft allocation of regional housing needs to each local government and subregion, where applicable, based on the methodology adopted pursuant to Section 65584.04. The draft allocation shall include the underlying data and methodology on which the allocation is based. It is the intent of the Legislature that the draft allocation should be distributed prior to the completion of the update of the applicable regional transportation plan. The draft allocation shall distribute to localities and subregions, if any, within the region the entire regional housing need determined pursuant to Section 65584.01.

(b) Within 60 days following receipt of the draft allocation, a local government that is not part of a subregion, or the subregion, as applicable, may request a revision of its share of the regional housing need in accordance with the factors described in paragraphs (1) to (9), inclusive, of subdivision (d) of Section 65584.04, including any information submitted by the local government to the council of governments pursuant to subdivision (b) of that section. The request for a revised share shall be based upon comparable data available for all affected jurisdictions and accepted planning methodology, and supported by adequate documentation.

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(c) Within 60 days after the request submitted pursuant to subdivision (b), the council of governments shall accept the proposed revision, modify its earlier determination, or indicate, based upon the information and methodology described in Section 65584.04, why the proposed revision is inconsistent with the regional housing need.

(d) If the council of governments does not accept the proposed revised share or modify the revised share to the satisfaction of the requesting party, the local government, or subregion, if applicable, may appeal its draft allocation based upon either or both of the following criteria:

(1) The council of governments failed to adequately consider the information submitted pursuant to subdivision (b) of Section 65584.04, or a significant and unforeseen change in circumstances has occurred in the local jurisdiction that merits a revision of the information submitted pursuant to that subdivision.

(2) The council of governments failed to determine its share of the regional housing need in accordance with the information described in, and the methodology established by, the council of governments pursuant to Section 65584.04.

(e) The council of governments shall conduct public hearings to hear all appeals within 60 days of the date established by the council of governments to file appeals. The city or county, or subregion if applicable, shall be notified within 10 days by certified mail, return receipt requested, of at least one public hearing on its appeal. The date of the hearing shall be at least 30 days and not more than 35 days from the date of the notification. Before taking action on an appeal, the council of governments shall consider all comments, recommendations, and available data based on accepted planning methodologies submitted by the appellant. The council of governments' final action on an appeal shall be in writing and shall include information and other evidence explaining how its action is consistent with this article. The council of governments' final action on an appeal may require the council of governments to adjust the allocation of a local government that is not the subject of an appeal.

(f) The council of governments shall issue a proposed final allocation within 45 days of the completion of the 60-day period for hearing appeals. The proposed final allocation plan shall include responses to all comments received on the proposed draft allocation and reasons for any significant revisions included in the final allocation.

(g) In the proposed final allocation plan, the council of governments shall adjust allocations to subregions and to local governments based upon the results of the appeals process specified in this section. If the adjustments total 7 percent or less of the regional housing need determined pursuant to Section 65584.01, then the council of governments shall distribute the adjustments proportionally to all subregions or local governments. If the adjustments total more than 7 percent of the regional housing need,

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then the council of governments shall develop a methodology to distribute the amount greater than the 7 percent to local governments and subregions. In no event shall the total distribution of housing need equal less than the regional housing need, as determined pursuant to Section 65584.01. Two or more local governments may agree to an alternate distribution of appealed housing allocations between the affected local governments. If two or more local governments agree to an alternative distribution of appealed housing allocations that maintains the total housing need originally assigned to these communities, then the council of governments shall include the alternative distribution in the final allocation plan.

(h) Within 60 days of the issuance of the proposed final allocation plan pursuant to subdivision (g), each subregion established pursuant to Section 65584.03 shall provide the council of governments with its allocation of regional housing needs within the subregion adopted by the county and the majority of cities within the region with the majority of the population. Allocations agreed to within a subregion may differ from the draft allocations assigned local governments pursuant to this section, but in no event shall the total allocation in the subregion equal less than the total housing need allocated to the subregion pursuant to subdivision (a) of Section 65584.05. If the council of governments finds that the proposed allocation plan submitted by the subregion does not equal the total housing need allocated to the subregion, or if the subregion has not submitted an allocation within 60 days, then the council of governments shall allocate the housing needs to the individual local governments within the subregion to ensure that the total regional housing need is allocated.

(i) Within 45 days of receiving proposed subregional allocations pursuant to subdivision (h), the council of governments shall hold a public hearing to adopt a final allocation plan. The council of governments shall have final authority to determine the distribution of the region's existing and projected housing need as determined pursuant to Section 65584.01. Within 60 days of adoption by the council of governments, the department shall determine whether or not the final allocation plan is consistent with the existing and projected housing need for the region, as determined pursuant to Section 65584.01. The department may revise the determination of the council of governments if necessary to obtain this consistency.

(j) Any authority of the council of governments to review and revise the share of a city or county of the regional housing need under this section shall not constitute authority to revise, approve, or disapprove the manner in which the share of the city or county of the regional housing need is implemented through its housing program.

SEC. 9. Section 65584.06 is added to the Government Code, to read:

65584.06. (a) For cities and counties without a council of governments, the department shall determine and distribute the existing and projected housing need, in accordance with Section 65584

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and this section. If the department determines that a county or counties, supported by a resolution adopted by the board or boards of supervisors, and a majority of cities within the county or counties representing a majority of the population of the county or counties, possess the capability and resources and agreed to accept the responsibility, with respect to its jurisdiction, for the distribution of the regional housing need, the department shall delegate this responsibility to the cities and county or counties.

(b) The distribution of regional housing need shall, based upon available data and in consultation with the cities and counties, take into consideration market demand for housing, the distribution of household growth within the county assumed in the regional transportation plan where applicable, employment opportunities and commuting patterns, the availability of suitable sites and public facilities, agreements between a county and cities in a county to direct growth toward incorporated areas of the county, or other considerations as may be requested by the affected cities or counties and agreed to by the department. As part of the allocation of the regional housing need, the department shall provide each city and county with data describing the assumptions and methodology used in calculating its share of the regional housing need.

Consideration of suitable housing sites or land suitable for urban development is not limited to existing zoning ordinances and land use restrictions of a locality, but shall include consideration of the potential for increased residential development under alternative zoning ordinances and land use restrictions.

(c) Within 90 days following the department's determination of a draft distribution of the regional housing need to the cities and the county, a city or county may propose to revise the determination of its share of the regional housing need in accordance with criteria set forth in the draft distribution. The proposed revised share shall be based upon comparable data available for all affected jurisdictions, and accepted planning methodology, and shall be supported by adequate documentation.

(d) (1) Within 60 days after the end of the 90-day time period for the revision by the cities or county, the department shall accept the proposed revision, modify its earlier determination, or indicate why the proposed revision is inconsistent with the regional housing need.

(2) If the department does not accept the proposed revision, then, within 30 days, the city or county may request a public hearing to review the determination.

(3) The city or county shall be notified within 30 days by certified mail, return receipt requested, of at least one public hearing regarding the determination.

(4) The date of the hearing shall be at least 10 but not more than 15 days from the date of the notification.

(5) Before making its final determination, the department shall consider all comments received and shall include a written response to each request for revision received from a city or county.

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(e) If the department accepts the proposed revision or modifies its earlier determination, the city or county shall use that share. If the department grants a revised allocation pursuant to subdivision (d), the department shall ensure that the total regional housing need is maintained. The department's final determination shall be in writing and shall include information explaining how its action is consistent with this section. If the department indicates that the proposed revision is inconsistent with the regional housing need, the city or county shall use the share that was originally determined by the department. The department, within its final determination, may adjust the allocation of a city or county that was not the subject of a request for revision of the draft distribution.

(f) The department shall issue a final regional housing need allocation for all cities and counties within 45 days of the completion of the 60-day period.

SEC. 10. Section 65584.07 is added to the Government Code, to read:

65584.07. (a) During the period between adoption of a final regional housing needs allocation until the due date of the housing element update pursuant to Section 65588, the council of governments, or the department, whichever assigned the county's share, shall reduce the share of regional housing needs of a county if all of the following conditions are met:

(1) One or more cities within the county agree to increase its share or their shares in an amount equivalent to the reduction.

(2) The transfer of shares shall only occur between a county and cities within that county.

(3) The county's share of low-income and very low income housing shall be reduced only in proportion to the amount by which the county's share of moderate- and above moderate-income housing is reduced.

(4) The council of governments or the department, whichever assigned the county's share, shall approve the proposed reduction, if it determines that the conditions set forth in paragraphs (1), (2), and (3) above have been satisfied. The county and city or cities proposing the transfer shall submit an analysis of the factors and circumstances, with all supporting data, justifying the revision to the council of governments or the department. The council of governments shall submit a copy of its decision regarding the proposed reduction to the department.

(b) After the due date for the housing element update, the council of governments, or the department, whichever assigned the county's share, shall reduce the share of regional housing needs of a county if all of the following conditions are met:

(1) The county and the city or city and county have both updated their housing elements for the current planning period pursuant to Section 65588 and the department has determined that both elements are in substantial compliance with this article.

(2) One or more cities within the county agree to increase its share or their shares in an amount equivalent to the reduction.

(3) The transfer of shares shall only occur between a county and

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cities within that county.

(4) The county's share of low-income and very low income housing shall be reduced only in proportion to the amount by which the county's share of moderate- and above moderate-income housing is reduced.

(5) The council of governments or the department, whichever assigned the county's share, shall approve the proposed reduction, if it determines that the conditions set forth in paragraphs (1), (2), (3), and (4) above have been satisfied. The county and city or cities proposing the transfer shall submit an analysis of the factors and circumstances, with all supporting data, justifying the revision to the council of governments or the department. The council of governments shall submit a copy of its decision regarding the proposed reduction to the department.

The county and cities which have executed transfers of regional housing need pursuant to this section shall amend their housing elements and submit them to the department for review pursuant to Section 65585.

All materials and data used to justify any revision shall be made available upon request by any interested party within seven days upon payment of reasonable costs of reproduction unless the costs are waived due to economic hardship.

(c) In the event an incorporation of a new city occurs after the council of governments, or the department for areas with no council of governments, has made its final allocation under this section, the city and county may reach a mutually acceptable agreement on a revised determination and report the revision to the council of governments and the department, or to the department for areas with no council of governments. If the affected parties cannot reach a mutually acceptable agreement, then either party may request the council of governments, or the department for areas with no council of governments, to consider the facts, data, and methodology presented by both parties and make the revised determination.

The revised determination shall be made within one year of the incorporation of the new city based upon the methodology described in subdivision (a) and shall reallocate a portion of the affected county's share of regional housing needs to the new city. The revised determination shall neither reduce the total regional housing ~~need~~ needs nor change the previous allocation of the regional housing needs assigned by the council of governments or the department, where there is no council of governments, to other cities within the affected county.

SEC. 11. Notwithstanding Section 17610 of the Government Code, if the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code. If the statewide cost of the claim for reimbursement does not exceed one million dollars (\$1,000,000), reimbursement shall be made from the State Mandates Claims Fund.

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BILL NUMBER: AB 2348 AMENDED
BILL TEXT

AMENDED IN ASSEMBLY APRIL 16, 2004

INTRODUCED BY Assembly Member Mullin

FEBRUARY 19, 2004

An act to amend ~~Section 65584 of~~ Sections 65583, 65583.1, 65589.5, and 65915 of, and to add Section 65583.2 to, the Government Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

AB 2348, as amended, Mullin. Housing element: regional housing need .

(1) Existing law requires each city, county, or city and county to prepare and adopt a general plan for its jurisdiction that contains certain mandatory elements, including a housing element. One part of the housing element is an assessment of housing needs and an inventory of land suitable for residential development in meeting a city's or county's share of the regional housing need, including vacant sites and sites having potential for redevelopment, and an analysis of the relationship of zoning facilities and services to these sites. A city, county, or city and county is required to submit a draft housing element or draft amendment to its housing element to the Department of Housing and Community Development for a determination of whether the draft complies with state law governing housing elements.

This bill would revise the criteria for the inventory of sites that can be developed for housing within the planning period of the general plan to accommodate that portion of a city's or county's share of the regional housing need for all income levels, as specified, and would expand the relocation assistance available to persons displaced by sites identified for substantial rehabilitation.

By imposing additional duties upon local officials, this bill would create a state-mandated local program.

The bill would also provide that the department evaluates a proposed or adopted housing element for substantial compliance with governing state law and would revise the requirements that may be imposed on a development project that contributes to meeting the regional housing need.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide

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and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

~~Existing law prescribes procedures for determining a city or county's share of the regional housing needs of persons at all income levels.~~

~~This bill would allow a city, county, or city and county to reduce its share of the regional housing needs by 15% for each income group under prescribed conditions.~~

Vote: majority. Appropriation: no. Fiscal committee:
~~no~~ yes . State-mandated local program:
~~no~~ yes .

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

~~SECTION 1. Section 65584 of the Government Code is~~

SECTION 1. Section 65583 of the Government Code is amended to read:

65583. The housing element shall consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement, and development of housing. The housing element shall identify adequate sites for housing, including rental housing, factory-built housing, and mobilehomes, and shall make adequate provision for the existing and projected needs of all economic segments of the community. The element shall contain all of the following:

(a) An assessment of housing needs and an inventory of resources and constraints relevant to the meeting of these needs. The assessment and inventory shall include all of the following:

(1) An analysis of population and employment trends and documentation of projections and a quantification of the locality's existing and projected housing needs for all income levels. These existing and projected needs shall include the locality's share of the regional housing need in accordance with Section 65584.

(2) An analysis and documentation of household characteristics, including level of payment compared to ability to pay, housing characteristics, including overcrowding, and housing stock condition.

(3) An inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites.

(4) An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all

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income levels and for persons with disabilities as identified in the analysis pursuant to paragraph (6), including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Section 65584 and from meeting the need for housing for persons with disabilities identified pursuant to paragraph (6).

(5) An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the availability of financing, the price of land, and the cost of construction.

(6) An analysis of any special housing needs, such as those of the elderly, persons with disabilities, large families, farmworkers, families with female heads of households, and families and persons in need of emergency shelter.

(7) An analysis of opportunities for energy conservation with respect to residential development.

(8) An analysis of existing assisted housing developments that are eligible to change from low-income housing uses during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of restrictions on use. "Assisted housing developments," for the purpose of this section, shall mean multifamily rental housing that receives governmental assistance under federal programs listed in subdivision (a) of Section 65863.10, state and local multifamily revenue bond programs, local redevelopment programs, the federal Community Development Block Grant Program, or local in-lieu fees. "Assisted housing developments" shall also include multifamily rental units that were developed pursuant to a local inclusionary housing program or used to qualify for a density bonus pursuant to Section 65916.

(A) The analysis shall include a listing of each development by project name and address, the type of governmental assistance received, the earliest possible date of change from low-income use and the total number of elderly and nonelderly units that could be lost from the locality's low-income housing stock in each year during the 10-year period. For purposes of state and federally funded projects, the analysis required by this subparagraph need only contain information available on a statewide basis.

(B) The analysis shall estimate the total cost of producing new rental housing that is comparable in size and rent levels, to replace the units that could change from low-income use, and an estimated cost of preserving the assisted housing developments. This cost analysis for replacement housing may be done aggregately for each five-year period and does not have to contain a project-by-project cost estimate.

(C) The analysis shall identify public and private nonprofit corporations known to the local government which have legal and managerial capacity to acquire and manage these housing developments.

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(D) The analysis shall identify and consider the use of all federal, state, and local financing and subsidy programs which can be used to preserve, for lower income households, the assisted housing developments, identified in this paragraph, including, but not limited to, federal Community Development Block Grant Program funds, tax increment funds received by a redevelopment agency of the community, and administrative fees received by a housing authority operating within the community. In considering the use of these financing and subsidy programs, the analysis shall identify the amounts of funds under each available program which have not been legally obligated for other purposes and which could be available for use in preserving assisted housing developments.

(b) (1) A statement of the community's goals, quantified objectives, and policies relative to the maintenance, preservation, improvement, and development of housing.

(2) It is recognized that the total housing needs identified pursuant to subdivision (a) may exceed available resources and the community's ability to satisfy this need within the content of the general plan requirements outlined in Article 5 (commencing with Section 65300). Under these circumstances, the quantified objectives need not be identical to the total housing needs. The quantified objectives shall establish the maximum number of housing units by income category that can be constructed, rehabilitated, and conserved over a five-year time period.

(c) A program which sets forth a five-year schedule of actions the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element through the administration of land use and development controls, provision of regulatory concessions and incentives, and the utilization of appropriate federal and state financing and subsidy programs when available and the utilization of moneys in a low- and moderate-income housing fund of an agency if the locality has established a redevelopment project area pursuant to the Community Redevelopment Law (Division 24 (commencing with Section 33000) of the Health and Safety Code). In order to make adequate provision for the housing needs of all economic segments of the community, the program shall do all of the following:

(1) (A) Identify ~~adequate~~ actions that will be taken to make sites ~~which will be made~~ available ~~through~~ during the planning period of the general plan with appropriate zoning and development standards and with services and facilities ~~including sewage collection and treatment, domestic water supply, and septic tanks and wells, needed~~ to accommodate that portion of the city's or county's share of the regional housing need for each income level that could not be accommodated on sites identified in the inventory completed pursuant to paragraph (3) of subdivision (a) without rezoning. Sites shall be identified as needed to facilitate and encourage the development of a variety

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of types of housing for all income levels, including multifamily rental housing, factory-built housing, mobilehomes, housing for agricultural employees, emergency shelters, and transitional housing ~~in order to meet the community's housing goals as identified in subdivision (b)~~ .

(i) Where the inventory of sites, pursuant to paragraph (3) of subdivision (a), does not identify adequate sites to accommodate the need for groups of all household income levels pursuant to Section 65584, the program shall ~~provide for sufficient sites with zoning that permits owner-occupied and rental multifamily residential use by right, including density and development standards that could accommodate and facilitate the feasibility of housing for very low and low-income households~~ identify sites that can be developed for housing within the planning period of the general plan pursuant to Section 65583.2 .

(ii) Where the inventory of sites pursuant to paragraph (3) of subdivision (a) does not identify adequate sites to accommodate the need for farmworker housing, the program shall provide for sufficient sites to meet the need with zoning that permits farmworker housing use by right, including density and development standards that could accommodate and facilitate the feasibility of the development of farmworker housing for low- and very low income households.

(B) For purposes of this paragraph, the phrase "use by right" shall mean the use does not require a conditional use permit, except when the proposed project is a mixed-use project involving both commercial or industrial uses and residential uses. Use by right for all rental multifamily residential housing shall be provided in accordance with subdivision (f) of Section 65589.5.

(C) The requirements of this subdivision regarding identification of sites for farmworker housing shall apply commencing with the next revision of housing elements required by Section 65588 following the enactment of this subparagraph.

(2) Assist in the development of adequate housing to meet the needs of low- and moderate-income households.

(3) Address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities. The program shall remove constraints to, or provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities.

(4) Conserve and improve the condition of the existing affordable housing stock, which may include addressing ways to mitigate the loss of dwelling units demolished by public or private action.

(5) Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability.

(6) (A) Preserve for lower income households the assisted housing developments identified pursuant to paragraph (8) of subdivision (a).

The program for preservation of the assisted housing developments

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shall utilize, to the extent necessary, all available federal, state, and local financing and subsidy programs identified in paragraph (8) of subdivision (a), except where a community has other urgent needs for which alternative funding sources are not available. The program may include strategies that involve local regulation and technical assistance.

(B) The program shall include an identification of the agencies and officials responsible for the implementation of the various actions and the means by which consistency will be achieved with other general plan elements and community goals. The local government shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort.

(d) The analysis and program for preserving assisted housing developments required by the amendments to this section enacted by the Statutes of 1989 shall be adopted as an amendment to the housing element by July 1, 1992.

(e) Failure of the department to review and report its findings pursuant to Section 65585 to the local government between July 1, 1992, and the next periodic review and revision required by Section 65588, concerning the housing element amendment required by the amendments to this section by the Statutes of 1989, shall not be used as a basis for allocation or denial of any housing assistance administered pursuant to Part 2 (commencing with Section 50400) of Division 31 of the Health and Safety Code.

SEC. 2. Section 65583.1 of the Government Code is amended to read:

65583.1. (a) The Department of Housing and Community Development, in evaluating a proposed or adopted housing element for ~~compliance with state law~~ *substantial compliance with this article*, may allow a city or county to identify adequate sites, as required pursuant to Section 65583, by a variety of methods, including, but not limited to, redesignation of property to a more intense land use category and increasing the density allowed within one or more categories. The department may also allow a city or county to identify sites for second units based on the number of second units developed in the prior housing element planning period whether or not the units are permitted by right, the need for these units in the community, the resources or incentives available for their development, and any other relevant factors, as determined by the department. Nothing in this section reduces the responsibility of a city or county to identify, by income category, the total number of sites for residential development as required by this article.

(b) Sites that contain permanent housing units located on a military base undergoing closure or conversion as a result of action pursuant to the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526), the Defense Base Closure and Realignment Act of 1990 (Public Law 101-510), or any subsequent act requiring the closure or conversion of a military base may be

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identified as an adequate site if the housing element demonstrates that the housing units will be available for occupancy by households within the planning period of the element. No sites containing housing units scheduled or planned for demolition or conversion to nonresidential uses shall qualify as an adequate site.

Any city, city and county, or county using this subdivision shall address the progress in meeting this section in the reports provided pursuant to paragraph (1) of subdivision (b) of Section 65400.

(c) (1) The Department of Housing and Community Development may allow a city or county to substitute the provision of units for up to 25 percent of the community's obligation to identify adequate sites for any income category in its housing element pursuant to paragraph (1) of subdivision (c) of Section 65583 ~~if~~ where the community includes in its housing element a program committing the local government to provide units in that income category within the city or county that will be made available through the provision of committed assistance during the planning period covered by the element to low- and very low income households at affordable housing costs or affordable rents, as defined in Sections 50052.5 and 50053 of the Health and Safety Code, and which meet the requirements of paragraph (2). Except as otherwise provided in this subdivision, the community may substitute one dwelling unit for one dwelling unit site in the applicable income category. The program shall do all of the following:

(A) Identify the specific, existing sources of committed assistance and dedicate a specific portion of the funds from those sources to the provision of housing pursuant to this subdivision.

(B) Indicate the number of units that will be provided to both low- and very low income households and demonstrate that the amount of dedicated funds is sufficient to develop the units at affordable housing costs or affordable rents.

(C) Demonstrate that the units meet the requirements of paragraph (2).

(2) Only units that comply with subparagraph (A), (B), or (C) qualify for inclusion in the housing element program described in paragraph (1), as follows:

(A) Units that are to be substantially rehabilitated with committed assistance from the city or county and constitute a net increase in the community's stock of housing affordable to low- and very low income households. For purposes of this subparagraph, a unit is not eligible to be "substantially rehabilitated" unless all of the following requirements are met:

(i) At the time the unit is identified for substantial rehabilitation, (I) the local government has determined that the unit is at imminent risk of loss to the housing stock, (II) the local government has committed to provide relocation assistance pursuant to Chapter 16 (commencing with Section 7260) of Division 7 of Title 1 to any occupants temporarily or permanently displaced by the rehabilitation or code enforcement activity, *or the relocation is otherwise provided prior to displacement either as a condition of*

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receivership, or provided by the property owner or the local government pursuant to Chapter 6.1 (commencing with Section 50651) of Part 2 of Division 31 of the Health and Safety Code, or as otherwise provided by local ordinance; provided the assistance includes not less than the equivalent of four months rent and moving expenses and comparable replacement housing consistent with the moving expenses and comparable replacement housing required pursuant to Section 7260 , (III) the local government requires that any displaced occupants will have the right to reoccupy the rehabilitated units, and (IV) the unit has been ~~cited and~~ found by the local ~~code enforcement agency~~ government or a court to be unfit for human habitation ~~and vacated or subject to being vacated because of the existence for not less than 120 days of four~~ due to the existence of at least four violations of the conditions listed in subdivisions (a) to (g), inclusive, of Section 17995.3 of the Health and Safety Code.

(ii) The rehabilitated unit will have long-term affordability covenants and restrictions that require the unit to be available to, and occupied by, persons or families of low- or very low income at affordable housing costs for at least 20 years or the time period required by any applicable federal or state law or regulation ~~, except that if the period is less than 20 years, only one unit shall be credited as an identified adequate site for every three units rehabilitated pursuant to this section, and no credit shall be allowed for a unit required to remain affordable for less than 10 years~~ .

(iii) Prior to initial occupancy after rehabilitation, the local code enforcement agency shall issue a certificate of occupancy indicating compliance with all applicable state and local building code and health and safety code requirements.

(B) Units that are located in a multifamily rental housing complex of ~~16~~ four or more units, are converted with committed assistance from the city or county from nonaffordable to affordable by acquisition of the unit or the purchase of affordability covenants and restrictions for the unit, are not acquired by eminent domain, and constitute a net increase in the community's stock of housing affordable to low- and very low income households. For purposes of this subparagraph, a unit is not converted by acquisition or the purchase of affordability covenants unless all of the following occur:

(i) The unit is made available at a cost affordable to low- or very low income households.

(ii) At the time the unit is identified for acquisition, the unit is not available at ~~a cost affordable to low- or very low income households.~~ an affordable housing cost to either of the following:

(I) Low-income households, if the unit will be made affordable to low-income households.

(II) Very low income households, if the unit will be made

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affordable to very low income households.

(iii) At the time the unit is identified for acquisition the unit is not occupied by low- or very low income households or if the acquired unit is occupied, the local government has committed to provide relocation assistance prior to displacement, if any, pursuant to Chapter 16 (commencing with Section 7260) of Division 7 of Title 1 to any occupants temporarily or permanently displaced by the rehabilitation or code enforcement activity, or the relocation is otherwise provided prior to displacement either as a condition of receivership, or provided by the property owner or the local government pursuant to Chapter 6.1 (commencing with Section 50651) of Part 2 of Division 31 of the Health and Safety Code, or as otherwise provided by local ordinance; provided the assistance includes not less than the equivalent of four months rent and moving expenses and comparable replacement housing consistent with the moving expenses and comparable replacement housing required pursuant to Section 7260

(iv) The unit is in decent, safe, and sanitary condition at the time of occupancy.

(v) ~~The acquisition price is not greater than 120 percent of the median price for housing units in the city or county.~~

~~(vi) The unit has long-term affordability covenants and restrictions that require the unit to be affordable to persons of low- or very low income for not less than 30~~
55 years.

(C) Units that will be preserved at affordable housing costs to persons or families of low- or very low incomes with committed assistance from the city or county by acquisition of the unit or the purchase of affordability covenants for the unit. For purposes of this subparagraph, a unit shall not be deemed preserved unless all of the following occur:

(i) The unit has long-term affordability covenants and restrictions that require the unit to be affordable to and reserved for occupancy by persons of the same or lower income group as the current occupants for a period of at least 40 years.

(ii) The unit is multifamily rental housing that receives governmental assistance under any of the following state and federal programs: Section 221(d)(3) of the National Housing Act (12 U.S.C. Sec. 1715l(d)(3) and (5)); Section 236 of the National Housing Act (12 U.S.C. Sec. 1715z-1); Section 202 of the Housing Act of 1959 (12 U.S.C. Sec. 1701q); for rent supplement assistance under Section 101 of the Housing and Urban Development Act of 1965, as amended (12 U.S.C. Sec. 1701s); under Section 515 of the Housing Act of 1949, as amended (42 U.S.C. Sec. 1485); and any new construction, substantial rehabilitation, moderate rehabilitation, property disposition, and loan management set-aside programs, or any other program providing project-based assistance, under Section 8 of the United States Housing Act of 1937, as amended (42 U.S.C. Sec. 1437f); any state and local multifamily revenue bond programs; local redevelopment programs; the federal Community Development Block Grant Program; and

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other local housing assistance programs or units that were used to qualify for a density bonus pursuant to Section 65916.

(iii) The city or county finds, after a public hearing, that the unit is eligible, and is reasonably expected, to change from housing affordable to low- and very low income households to any other use during the next five years due to termination of subsidy contracts, mortgage prepayment, or expiration of restrictions on use.

(iv) The unit is in decent, safe, and sanitary condition at the time of occupancy.

(v) At the time the unit is identified for preservation it is available at affordable cost to persons or families of low- or very low income.

(3) This subdivision does not apply to any city or county that, during the current or immediately prior planning period, as defined by Section 65588, has not met any of its share of the regional need for affordable housing, as defined in Section 65584, for low- and very low income households. A city or county shall document for any such housing unit that a building permit has been issued and all development and permit fees have been paid or the unit is eligible to be lawfully occupied.

(4) For purposes of this subdivision, "committed assistance" means that the city or county enters into a legally enforceable agreement during the first two years of the housing element planning period that obligates sufficient available funds to provide the assistance necessary to make the identified units affordable and that requires that the units be made available for occupancy within two years of the execution of the agreement. "Committed assistance" does not include tenant-based rental assistance.

(5) For purposes of this subdivision, "net increase" includes only housing units provided committed assistance pursuant to subparagraph (A) or (B) of paragraph (2) in the current planning period, as defined in Section 65588, that were not provided committed assistance in the immediately prior planning period.

(6) For purposes of this subdivision, "the time the unit is identified" means the earliest time when any city or county agent, acting on behalf of a public entity, has proposed in writing or has proposed orally or in writing to the property owner, that the unit be considered for substantial rehabilitation, acquisition, or preservation.

(7) On July 1 of the third year of the planning period, as defined by Section 65588, in the report required pursuant to Section 65400, each city or county that has included in its housing element a program to provide units pursuant to subparagraph (A), (B), or (C) of paragraph (2) shall report in writing to the legislative body, and to the department within 30 days of making its report to the legislative body, on its progress in providing units pursuant to this subdivision. The report shall identify the specific units for which committed assistance has been provided or which have been made available to low- and very low income households, and it shall adequately document how each unit complies with this subdivision.

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If, by July 1 of the third year of the planning period, the city or county has not entered into an enforceable agreement of committed assistance for all units specified in the programs adopted pursuant to subparagraph (A), (B), or (C) of paragraph (2), the city or county shall, not later than July 1 of the fourth year of the planning period, adopt an amended housing element in accordance with Section 65585, identifying additional adequate sites pursuant to paragraph (1) of subdivision (c) of Section 65583 sufficient to accommodate the number of units for which committed assistance was not provided. If a city or county does not amend its housing element to identify adequate sites to address any shortfall, or fails to complete the rehabilitation, acquisition, purchase of affordability covenants, or the preservation of any housing unit within two years after committed assistance was provided to that unit, it shall be prohibited from identifying units pursuant to subparagraph (A), (B), or (C) of paragraph (2) in the housing element that it adopts for the next planning period, as defined in Section 65588, above the number of units actually provided or preserved due to committed assistance.

SEC. 3. Section 65583.2 is added to the Government Code, to read:

65583.2. (a) A city's or county's inventory of land suitable for residential development shall be used to identify sites that can be developed for housing within the planning period of the general plan and that are sufficient to provide for the jurisdiction's share of the regional housing need for all income levels pursuant to Section 65584. As used in this section, "land suitable for residential development" includes all of the following:

- (1) Vacant sites zoned for residential use.*
- (2) Vacant sites zoned for nonresidential use that allows residential development.*
- (3) Residentially zoned sites that are capable of being developed at a higher density.*

(4) Sites zoned for nonresidential use that can be redeveloped for, and as necessary, rezoned for, residential use.

(b) The inventory of land shall include all of the following:

- (1) A listing of properties by parcel number or other unique reference.*
- (2) The size of each property listed pursuant to paragraph (1), and the general plan designation and zoning of each property.*
- (3) For nonvacant sites, a description of the existing use of each property.*
- (4) A general description of any environmental constraints to the development of housing within the jurisdiction, the documentation for which has been made available to the jurisdiction. This information need not be identified on a site-specific basis.*
- (5) A general description of existing or planned water, sewer, and other dry utilities supply, including the availability and access to distribution facilities. This information need not be identified on a site-specific basis.*

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(6) Sites identified as available for housing for above-moderate income households in areas not served by public sewer systems. This information need not be identified on a site-specific basis.

(7) A map that shows the location of the sites included in the inventory, such as the land use map from the jurisdiction's general plan for reference purposes only.

(c) Based on the information provided in subdivision (b), a city or county shall determine whether each site in the inventory can accommodate some portion of its share of the regional housing need by income level during the planning period of the general plan, as determined pursuant to Section 65584. The analysis shall determine whether the inventory can provide for a variety of types of housing, including multifamily rental housing, factory-built housing, mobilehomes, housing for agricultural employees, emergency shelters, and transitional housing. The city or county shall determine the number of housing units that can be accommodated on each site as follows:

(1) If local law or regulations require the development of a site at a minimum density, the department shall accept the planning agency's calculation of the total housing unit capacity on that site based on the established minimum density. If the city or county does not adopt regulations, then it shall demonstrate how the number of units determined for that site pursuant to this subdivision will be accommodated.

(2) The number of units calculated pursuant to paragraph (1) shall be adjusted as necessary, based on the land use controls and site improvements requirement identified in paragraph (4) of subdivision (a) of Section 65583.

(3) For the number of units calculated to accommodate its share of the regional housing need for lower income households pursuant to paragraph (2), a city or county shall do either of the following:

(A) Provide an analysis demonstrating how the adopted densities accommodate this need. The analysis shall include, but is not limited to, factors such as market demand, financial feasibility, or information based on development project experience within a zone or zones that provide housing for lower income households.

(B) The following densities shall be deemed appropriate to accommodate housing for lower income households:

(i) For incorporated cities within nonmetropolitan counties and for nonmetropolitan counties that have micropolitan areas: sites allowing at least 15 units per acre.

(ii) For unincorporated areas in all nonmetropolitan counties not included in clause (i): sites allowing at least 10 units per acre.

(iii) For suburban jurisdictions: sites allowing at least 20 units per acre.

(iv) For jurisdictions in metropolitan counties: sites allowing at least 30 units per acre.

(d) For purposes of this section, metropolitan counties, nonmetropolitan counties, and nonmetropolitan counties with micropolitan areas are as determined by the United States Census

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Bureau. Nonmetropolitan counties with micropolitan areas include the following counties: Del Norte, Humboldt, Lake Mendocino, Nevada, Tehama, and Tuolumne and such other counties as may be determined by the United States Census Bureau to be nonmetropolitan counties with micropolitan areas in the future.

(e) A jurisdiction is considered suburban if the jurisdiction does not meet the requirements of clauses (i) and (ii) of subparagraph (B) of paragraph (3) of subdivision (c) and is located in a Metropolitan Statistical Area (MSA) of less than 2,000,000 in population, unless that jurisdiction's population is greater than 100,000, in which case it is considered metropolitan. Counties, not including the City and County of San Francisco, will be considered suburban unless they are in a MSA of 2,000,000 or greater in population in which case they are considered metropolitan.

(f) A jurisdiction is considered metropolitan if the jurisdiction does not meet the requirements for "suburban area" above and is located in a MSA of 2,000,000 or greater in population, unless that jurisdiction's population is less than 25,000 in which case it is considered suburban.

(g) For sites described in paragraph (3) of subdivision (b) the city or county shall specify the additional development potential for each site within the planning period of the general plan and shall provide an explanation of the methodology used to determine the development potential. The methodology shall consider factors including the extent to which existing uses may constitute an impediment to additional residential development, development trends, market conditions, and regulatory or other incentives or standards to encourage additional residential development on these sites.

(h) The program provided for in clause (i) of subparagraph (A) of paragraph (1) of subdivision (c) of Section 65583 shall accommodate 100 percent of the need for housing for very low and low-income households allocated pursuant to Section 65584 for which site capacity has not been identified in the inventory of sites pursuant to paragraph (3) of subdivision (a) on sites with zoning that permits owner-occupied and rental multifamily residential use by right. These sites shall have minimum density and development standards that permit at least 16 units per site at a density of at least 16 units per acre in jurisdictions described in clause (i) of subparagraph (B) of paragraph (3) of subdivision (c) and at least 20 units per acre in jurisdictions described in clauses (iii) and (iv) of subparagraph (B) of paragraph (3) of subdivision (c). At least 50 percent of the very low and low-income housing need shall be accommodated on sites designated for residential use and for which nonresidential uses or mixed-uses are not permitted.

(i) For purposes of this subdivision, the phrase "use by right" shall mean the use shall not require a conditional use permit or other local government review or approval which constitutes a "project" for the purposes of Division 13 (commencing with Section 21100) of the Public Resources Code. Use by right for all rental multifamily residential housing shall be provided in accordance with

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subdivision (f) of Section 65589.5 and may be subjected to design review which shall not constitute a "project" for purposes of Division 13 (commencing with Section 21100) of the Public Resources Code.

SEC. 4. Section 65589.5 of the Government Code is amended to read:

65589.5. (a) The Legislature finds and declares all of the following:

(1) The lack of housing is a critical problem that threatens the economic, environmental, and social quality of life in California.

(2) California housing has become the most expensive in the nation. The excessive cost of the state's housing supply is partially caused by activities and policies of many local governments that limit the approval of housing, increase the cost of land for housing, and require that high fees and exactions be paid by producers of housing.

(3) Among the consequences of those actions are discrimination against low-income and minority households, lack of housing to support employment growth, imbalance in jobs and housing, reduced mobility, urban sprawl, excessive commuting, and air quality deterioration.

(4) Many local governments do not give adequate attention to the economic, environmental, and social costs of decisions that result in disapproval of housing projects, reduction in density of housing projects, and excessive standards for housing projects.

(b) It is the policy of the state that a local government not reject or make infeasible housing developments that contribute to meeting the housing need determined pursuant to this article without a thorough analysis of the economic, social, and environmental effects of the action and without complying with subdivision (d).

(c) The Legislature also recognizes that premature and unnecessary development of agricultural lands for urban uses continues to have adverse effects on the availability of those lands for food and fiber production and on the economy of the state. Furthermore, it is the policy of the state that development should be guided away from prime agricultural lands; therefore, in implementing this section, local jurisdictions should encourage, to the maximum extent practicable, in filling existing urban areas.

(d) A local agency shall not disapprove a housing development project, including farmworker housing as defined in subdivision (d) of Section 50199.50 of the Health and Safety Code, for very low, low- or moderate-income households or condition approval, including through the use of design review standards, in a manner that renders the project infeasible for development for the use of very low, low- or moderate-income households unless it makes written findings, based upon substantial evidence in the record, as to one of the following:

(1) The jurisdiction has adopted a housing element pursuant to this article that has been revised in accordance with Section 65588 and that is in substantial compliance with this article, and the

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development project is not needed for the jurisdiction to meet its share of the regional housing need for very low, low-, or moderate-income housing.

(2) The development project as proposed would have a specific, adverse impact upon the public health or safety, and there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact without rendering the development unaffordable to low- and moderate-income households. As used in this paragraph, a "specific, adverse impact" means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete.

(3) The denial of the project or imposition of conditions is required in order to comply with specific state or federal law, and there is no feasible method to comply without rendering the development unaffordable to low- and moderate-income households.

~~(4) Approval of the development project would increase the concentration of lower income households in a neighborhood that already has a disproportionately high number of lower income households and there is no feasible method of approving the development at a different site, including those sites identified pursuant to paragraph (1) of subdivision (c) of Section 65583, without rendering the development unaffordable to low- and moderate-income households.~~

~~(5)~~ The development project is proposed on land zoned for agriculture or resource preservation that is surrounded on at least two sides by land being used for agricultural or resource preservation purposes, or which does not have adequate water or wastewater facilities to serve the project.

~~(6)~~

(5) The development project is inconsistent with both the jurisdiction's zoning ordinance and general plan land use designation as specified in any element of the general plan as it existed on the date the application was deemed complete, and the jurisdiction has adopted a housing element ~~pursuant to~~ in substantial compliance with this article. *This subdivision cannot be utilized to deny a housing development project defined in subdivision (a) if the development project is proposed on a site that is identified for very low, low-, or moderate-income households in the jurisdiction's housing element, and consistent with the density specified in the housing element, even though it is inconsistent with both the jurisdiction's zoning ordinance and general plan land use designation.*

(e) Nothing in this section shall be construed to relieve the local agency from complying with the Congestion Management Program required by Chapter 2.6 (commencing with Section 65088) of Division 1 of Title 7 or the California Coastal Act (Division 20 (commencing with Section 30000) of the Public Resources Code). Neither shall anything in this section be construed to relieve the local agency from making one or more of the findings required pursuant to Section

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21081 of the Public Resources Code or otherwise complying with the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

~~(f) Nothing in this section shall be construed to prohibit a local agency from requiring the development project to comply with written development standards, conditions, and policies appropriate to, and consistent with, meeting the quantified objectives relative to the development of housing, as required in the housing element pursuant to subdivision (b) of Section 65583.~~

A local agency may require the development project to comply with objective, quantifiable, written development standards, conditions, and policies appropriate to, and consistent with, meeting the jurisdiction's share of the regional housing need pursuant to Section 65584. However, the development standards, conditions, and policies shall be applied to facilitate and accommodate development at the density permitted on the site and proposed by the development project. Nothing in this section shall be construed to prohibit a local agency from imposing fees and other exactions otherwise authorized by law which are essential to provide necessary public services and facilities to the development project.

(g) This section shall be applicable to charter cities because the Legislature finds that the lack of housing is a critical statewide problem.

(h) The following definitions apply for the purposes of this section:

(1) "Feasible" means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technological factors.

(2) "Housing development project" means a use consisting of either of the following:

(A) Residential units only.

(B) Mixed-use developments consisting of residential and nonresidential uses in which nonresidential uses are limited to neighborhood commercial uses and to the first floor of buildings that are two or more stories. As used in this paragraph, "neighborhood commercial" means small-scale general or specialty stores that furnish goods and services primarily to residents of the neighborhood.

(3) "Housing for very low, low-, or moderate-income households" means that either (A) at least 20 percent of the total units shall be sold or rented to lower income households, as defined in Section 50079.5 of the Health and Safety Code, or (B) 100 percent of the units shall be sold or rented to moderate-income households as defined in Section 50093 of the Health and Safety Code, or middle-income households, as defined in Section 65008 of this code. Housing units targeted for lower income households shall be made available at a monthly housing cost that does not exceed 30 percent of 60 percent of area median income with adjustments for household size made in accordance with the adjustment factors on which the lower income eligibility limits are based. Housing units targeted

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for persons and families of moderate income shall be made available at a monthly housing cost that does not exceed 30 percent of 100 percent of area median income with adjustments for household size made in accordance with the adjustment factors on which the moderate income eligibility limits are based.

(4) "Area median income" means area median income as periodically established by the Department of Housing and Community Development pursuant to Section 50093 of the Health and Safety Code. The developer shall provide sufficient legal commitments to ensure continued availability of units for very low or low-income households in accordance with the provisions of this subdivision for 30 years.

(5) "Neighborhood" means a planning area commonly identified as such in a community's planning documents, and identified as a neighborhood by the individuals residing and working within the neighborhood. Documentation demonstrating that the area meets the definition of neighborhood may include a map prepared for planning purposes which lists the name and boundaries of the neighborhood.

(6) "Disapprove the development project" includes any instance in which a local agency does either of the following:

(A) Votes on a proposed housing development project application and the application is disapproved.

(B) Fails to comply with the time periods specified in subparagraph (B) of paragraph (1) of subdivision (a) of Section 65950. An extension of time pursuant to Article 5 (commencing with Section 65950) shall be deemed to be an extension of time pursuant to this paragraph.

(i) If any city, county, or city and county denies approval or imposes restrictions, including design changes, a reduction of allowable densities or the percentage of a lot that may be occupied by a building or structure under the applicable planning and zoning in force at the time the application is deemed complete pursuant to Section 65943, that have a substantial adverse effect on the viability or affordability of a housing development for very low, low-, or moderate-income households, and the denial of the development or the imposition of restrictions on the development is the subject of a court action which challenges the denial, then the burden of proof shall be on the local legislative body to show that its decision is consistent with the findings as described in subdivision (d) and that the findings are supported by substantial evidence in the record.

(j) When a proposed housing development project complies with applicable, objective general plan and zoning standards and criteria, including design review standards, in effect at the time that the housing development project's application is determined to be complete, but the local agency proposes to disapprove the project or to approve it upon the condition that the project be developed at a lower density, the local agency shall base its decision regarding the proposed housing development project upon written findings supported by substantial evidence on the record that both of the following

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conditions exist:

(1) The housing development project would have a specific, adverse impact upon the public health or safety unless the project is disapproved or approved upon the condition that the project be developed at a lower density. As used in this paragraph, a "specific, adverse impact" means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete.

(2) There is no feasible method to satisfactorily mitigate or avoid the adverse impact identified pursuant to paragraph (1), other than the disapproval of the housing development project or the approval of the project upon the condition that it be developed at a lower density.

(k) If in any action brought to enforce the provisions of this section, a court finds that the local agency disapproved a project or conditioned its approval in a manner rendering it infeasible for the development of housing for very low, low-, or moderate-income households, including farmworker housing, without making the findings required by this section or without making sufficient findings supported by substantial evidence, the court shall issue an order or judgment compelling compliance with this section within 60 days, including, but not limited to, an order that the local agency take action on the development project. The court shall retain jurisdiction to ensure that its order or judgment is carried out and shall award reasonable attorney fees and costs of suit to the plaintiff or petitioner who proposed the housing development, except under extraordinary circumstances in which the court finds that awarding fees would not further the purposes of this section. If the court determines that its order or judgment has not been carried out within 60 days, the court may issue further orders as provided by law to ensure that the purposes and policies of this section are fulfilled.

(l) In any action, the record of the proceedings before the local agency shall be filed as expeditiously as possible and, notwithstanding Section 1094.6 of the Code of Civil Procedure, all or part of the record may be filed (1) by the petitioner with the petition or petitioner's points and authorities, (2) by the respondent with respondent's points and authorities, (3) after payment of costs by the petitioner, or (4) as otherwise directed by the court. If the expense of preparing the record has been borne by the petitioner and the petitioner is the prevailing party, the expense shall be taxable as costs.

SEC. 5. Section 65915 of the Government Code is amended to read:

65915. (a) When an applicant proposes a housing development within the jurisdiction of a city, county, or city and county, that local government shall provide the applicant incentives or concessions for the production of housing units and child care facilities as prescribed in this chapter. All cities, counties, or

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cities and counties shall adopt an ordinance that specifies how compliance with this section will be implemented.

(b) A city, county, or city and county shall either grant a density bonus and at least one of the concessions or incentives identified in subdivision (k), or provide other incentives or concessions of equivalent financial value based upon the land cost per dwelling unit, when the applicant for the housing development agrees or proposes to construct at least any one of the following:

(1) Twenty percent of the total units of a housing development for lower income households, as defined in Section 50079.5 of the Health and Safety Code.

(2) Ten percent of the total units of a housing development for very low income households, as defined in Section 50105 of the Health and Safety Code.

(3) Fifty percent of the total dwelling units of a housing development for qualifying residents, as defined in Section 51.3 of the Civil Code.

(4) Twenty percent of the total dwelling units in a condominium project as defined in subdivision (f) of Section 1351 of the Civil Code, for persons and families of moderate income, as defined in Section 50093 of the Health and Safety Code.

The city, county, or city and county shall grant the additional concession or incentive required by this subdivision unless the city, county, or city and county makes a written finding, based upon substantial evidence, that the additional concession or incentive is not required in order to provide for affordable housing costs, as defined in Section 50052.5 of the Health and Safety Code, or for rents for the targeted units to be set as specified in subdivision (c).

(c) (1) An applicant shall agree to, and the city, county, or city and county shall ensure, continued affordability of all lower income density bonus units for 30 years or a longer period of time if required by the construction or mortgage financing assistance program, mortgage insurance program, or rental subsidy program. Those units targeted for lower income households, as defined in Section 50079.5 of the Health and Safety Code, shall be affordable at a rent that does not exceed 30 percent of 60 percent of area median income. Those units targeted for very low income households, as defined in Section 50105 of the Health and Safety Code, shall be affordable at a rent that does not exceed 30 percent of 50 percent of area median income.

(2) An applicant shall agree to, and the city, county, or city and county shall ensure, continued affordability of the moderate-income units that are directly related to the receipt of the density bonus for 10 years if the housing is in a condominium project as defined in subdivision (f) of Section 1351 of the Civil Code.

(d) An applicant may submit to a city, county, or city and county a proposal for the specific incentives or concessions that the applicant requests pursuant to this section, and may request a

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meeting with the city, county, or city and county. The city, county, or city and county shall grant the concession or incentive requested by the applicant unless the city, county, or city and county makes a written finding, based upon substantial evidence, of either of the following:

(1) The concession or incentive is not required in order to provide for affordable housing costs, as defined in Section 50052.5 of the Health and Safety Code, or for rents for the targeted units to be set as specified in subdivision (c).

(2) The concession or incentive would have a specific adverse impact, as defined in paragraph (2) of subdivision (d) of Section 65589.5, upon public health and safety or the physical environment or on any real property that is listed in the California Register of Historical Resources and for which there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact without rendering the development unaffordable to low- and moderate-income households.

The applicant may initiate judicial proceedings if the city, county, or city and county refuses to grant a requested density bonus, incentive, or concession. If a court finds that the refusal to grant a requested density bonus, incentive, or concession is in violation of this section, the court shall award the plaintiff reasonable attorney's fees and costs of suit. Nothing in this subdivision shall be interpreted to require a local government to grant an incentive or concession that has a specific, adverse impact, as defined in paragraph (2) of subdivision (d) of Section 65589.5, upon health, safety, or the physical environment, and for which there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact. Nothing in this subdivision shall be interpreted to require a local government to grant an incentive or concession that would have an adverse impact on any real property that is listed in the California Register of Historical Resources. The city, county, or city and county shall establish procedures for carrying out this section, that shall include legislative body approval of the means of compliance with this section. The city, county, or city and county shall also establish procedures for waiving or modifying development and zoning standards that would otherwise inhibit the utilization of the density bonus on specific sites. These procedures shall include, but not be limited to, such items as minimum lot size, side yard setbacks, and placement of public works improvements.

(e) In no case may a city, county, or city and county apply any development standard that will have the effect of precluding the construction of a development meeting the criteria of subdivision (b) at the densities or with the concessions or incentives permitted by this section. An applicant may submit to a city, county, or city and county a proposal for the waiver or reduction of development standards and may request a meeting with the city, county, or city and county. If a court finds that the refusal to grant a waiver or reduction of development standards is in violation of this section,

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the court shall award the plaintiff reasonable attorney's fees and costs of suit. Nothing in this subdivision shall be interpreted to require a local government to waive or reduce development standards if the waiver or reduction would have a specific, adverse impact, as defined in paragraph (2) of subdivision (d) of Section 65589.5, upon health, safety, or the physical environment, and for which there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact. Nothing in this subdivision shall be interpreted to require a local government to waive or reduce development standards that would have an adverse impact on any real property that is listed in the California Register of Historical Resources.

(f) The applicant shall show that the waiver or modification is necessary to make the housing units economically feasible.

(g) (1) For the purposes of this chapter, except as provided in paragraph (2), "density bonus" means a density increase of at least 25 percent, unless a lesser percentage is elected by the applicant, over the otherwise maximum allowable residential density under the applicable zoning ordinance and land use element of the general plan as of the date of application by the applicant to the city, county, or city and county. All density calculations resulting in fractional units shall be rounded up to the next whole number. The granting of a density bonus shall not be interpreted, in and of itself, to require a general plan amendment, local coastal plan amendment, zoning change, or other discretionary approval. The density bonus shall not be included when determining the number of housing units which is equal to 10, 20, or 50 percent of the total. The density bonus shall apply to housing developments consisting of five or more dwelling units.

(2) For the purposes of this chapter, if a development does not meet the requirements of paragraph (1), (2), or (3) of subdivision (b), but the applicant agrees or proposes to construct a condominium project as defined in subdivision (f) of Section 1351 of the Civil Code, in which at least 20 percent of the total dwelling units are reserved for persons and families of moderate income, as defined in Section 50093 of the Health and Safety Code, a "density bonus" of at least 10 percent shall be granted, unless a lesser percentage is elected by the applicant, over the otherwise maximum allowable residential density under the applicable zoning ordinance and land use element of the general plan as of the date of application by the applicant to the city, county, or city and county. All density calculations resulting in fractional units shall be rounded up to the next whole number. The granting of a density bonus shall not be interpreted, in and of itself, to require a general plan amendment, local coastal plan amendment, zoning change, or other discretionary approval. The density bonus shall not be included when determining the number of housing units which is equal to 20 percent of the total. The density bonus shall apply to housing developments consisting of five or more dwelling units.

(h) (1) When an applicant proposes to construct a housing development that conforms to the requirements of subdivision (b) and

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includes a child care facility that will be located on the premises of, as part of, or adjacent to, the project, the city, county, or city and county shall grant either of the following:

(A) An additional density bonus that is an amount of square feet of residential space that is equal to or greater than the amount of square feet in the child care facility.

(B) An additional concession or incentive that contributes significantly to the economic feasibility of the construction of the child care facility.

(2) The city, county, or city and county shall require, as a condition of approving the housing development, that the following occur:

(A) The child care facility shall remain in operation for a period of time that is as long as or longer than the period of time during which the density bonus units are required to remain affordable pursuant to subdivision (c).

(B) Of the children who attend the child care facility, the children of very low income households, lower income households, or families of moderate income shall equal a percentage that is equal to or greater than the percentage of dwelling units that are required for very low income households, lower income households, or families of moderate income pursuant to subdivision (b).

(3) Notwithstanding any requirement of this subdivision, a city, county, or a city and county shall not be required to provide a density bonus or concession for a child care facility if it finds, based upon substantial evidence, that the community has adequate child care facilities.

(4) "Child care facility," as used in this section, means a child day care facility other than a family day care home, including, but not limited to, infant centers, preschools, extended day care facilities, and schoolage child care centers.

(i) "Housing development," as used in this section, means one or more groups of projects for residential units constructed in the planned development of a city, county, or city and county. For the purposes of this section, "housing development" also includes either (1) a project to substantially rehabilitate and convert an existing commercial building to residential use, or (2) the substantial rehabilitation of an existing multifamily dwelling, as defined in subdivision (d) of Section 65863.4, where the result of the rehabilitation would be a net increase in available residential units. For the purpose of calculating a density bonus, the residential units do not have to be based upon individual subdivision maps or parcels. The density bonus shall be permitted in geographic areas of the housing development other than the areas where the units for the lower income households are located.

(j) The granting of a concession or incentive shall not be interpreted, in and of itself, to require a general plan amendment, local coastal plan amendment, zoning change, or other discretionary approval. This provision is declaratory of existing law.

(k) For the purposes of this chapter, concession or incentive

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means any of the following:

(1) A reduction in site development standards or a modification of zoning code requirements or architectural design requirements that exceed the minimum building standards approved by the California Building Standards Commission as provided in Part 2.5 (commencing with Section 18901) of Division 13 of the Health and Safety Code, including, but not limited to, a reduction in setback and square footage requirements and in the ratio of vehicular parking spaces that would otherwise be required.

(2) Approval of mixed use zoning in conjunction with the housing project if commercial, office, industrial, or other land uses will reduce the cost of the housing development and if the commercial, office, industrial, or other land uses are compatible with the housing project and the existing or planned development in the area where the proposed housing project will be located.

(3) Other regulatory incentives or concessions proposed by the developer or the city, county, or city and county that result in identifiable and actual cost reductions.

This subdivision does not limit or require the provision of direct financial incentives for the housing development, including the provision of publicly owned land, by the city, county, or city and county, or the waiver of fees or dedication requirements.

(1) If an applicant agrees to construct both 20 percent of the total units for lower income households and 10 percent of the total units for very low income households, the developer is entitled to only one density bonus and at least one additional concession or incentive identified in Section 65913.4 under this section although the city, county, or city and county may, at its discretion, grant more than one density bonus.

(m) Nothing in this section shall be construed to supersede or in any way alter or lessen the effect or application of the California Coastal Act (Division 20 (commencing with Section 30000) of the Public Resources Code).

(n) A local agency may charge a fee to reimburse it for costs it incurs as a result of amendments to this section enacted during the 2001-02 Regular Session of the Legislature.

(o) For purposes of this section, the following definitions shall apply:

(1) "Development standard" means any ordinance, general plan element, specific plan, charter amendment, or other local condition, law, policy, resolution, or regulation.

(2) "Maximum allowable residential density" means the density allowed under the zoning ordinance, or if a range of density is permitted, means the maximum allowable density for the specific zoning range applicable to the project.

(p) (1) Upon the request of the developer, no city, county, or city and county shall require a vehicular parking ratio, inclusive of handicapped and guest parking, of a development meeting the criteria of subdivision (b), that exceeds the following ratios:

(A) Zero to one bedrooms: one onsite parking space.

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(B) Two to three bedrooms: two onsite parking spaces.

(C) Four and more bedrooms: two and one-half parking spaces.

(2) If the total number of parking spaces required for a development is other than a whole number, the number shall be rounded up to the next whole number. For purposes of this subdivision, a development may provide "onsite parking" through tandem parking or uncovered parking, but not through on-street parking.

(3) This subdivision shall apply to a development meeting the requirements of subdivision (b) and only at the request of the applicant. An applicant may request additional parking incentives or concessions beyond those provided in this section, subject to subdivision (d).

SEC. 6. Notwithstanding Section 17610 of the Government Code, if the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code. If the statewide cost of the claim for reimbursement does not exceed one million dollars (\$1,000,000), reimbursement shall be made from the State Mandates Claims Fund.

~~amended to read:~~

~~65584. (a) For purposes of subdivision (a) of Section 65583, the share of a city or county of the regional housing needs includes that share of the housing need of persons at all income levels within the area significantly affected by a general plan of the city or county. The distribution of regional housing needs shall, based upon available data, take into consideration market demand for housing, employment opportunities, the availability of suitable sites and public facilities, commuting patterns, type and tenure of housing need, the loss of units contained in assisted housing developments, as defined in paragraph (8) of subdivision (a) of Section 65583, that changed to non-low-income use through mortgage prepayment, subsidy contract expirations, or termination of use restrictions, and the housing needs of farmworkers. The distribution shall seek to reduce the concentration of lower income households in cities or counties that already have disproportionately high proportions of lower income households. Based upon population projections produced by the Department of Finance and regional population forecasts used in preparing regional transportation plans, and in consultation with each council of governments, the Department of Housing and Community Development shall determine the regional share of the statewide housing need at least two years prior to the second revision, and all subsequent revisions as required pursuant to Section 65588. Based upon data provided by the department relative to the statewide need for housing, each council of governments shall determine the existing and projected housing need for its region. Within 30 days following notification of this determination, the department shall ensure that this determination is consistent with the statewide housing need. The department may revise the determination of the council of governments if necessary to obtain this consistency. The appropriate~~

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~~council of governments shall determine the share for each city or county consistent with the criteria of this subdivision and with the advice of the department subject to the procedure established pursuant to subdivision (c) at least one year prior to the second revision, and at five-year intervals following the second revision pursuant to Section 65588. The council of governments shall submit to the department information regarding the assumptions and methodology to be used in allocating the regional housing need. As part of the allocation of the regional housing need, the council of governments, or the department pursuant to subdivision (b), shall provide each city and county with data describing the assumptions and methodology used in calculating its share of the regional housing need. The department shall submit to each council of governments information regarding the assumptions and methodology to be used in allocating the regional share of the statewide housing need. As part of its determination of the regional share of the statewide housing need, the department shall provide each council of governments with data describing the assumptions and methodology used in calculating its share of the statewide housing need. The council of governments shall provide each city and county with the department's information. The council of governments shall provide a subregion with its share of the regional housing need, and delegate responsibility for providing allocations to cities and a county or counties in the subregion to a subregional entity if this responsibility is requested by a county and all cities in the county, a joint powers authority established pursuant to Chapter 5 (commencing with Section 6500) of Division 7 of Title 1, or the governing body of a subregional agency established by the council of governments, in accordance with an agreement entered into between the council of governments and the subregional entity that sets forth the process, timing, and other terms and conditions of that delegation of responsibility.~~

~~(b) For areas with no council of governments, the department shall determine housing market areas and define the regional housing need for cities and counties within these areas pursuant to the provisions for the distribution of regional housing needs in subdivision (a). If the department determines that a city or county possesses the capability and resources and has agreed to accept the responsibility, with respect to its jurisdiction, for the identification and determination of housing market areas and regional housing needs, the department shall delegate this responsibility to the cities and counties within these areas.~~

~~(c) (1) Within 90 days following a determination of a council of governments pursuant to subdivision (a), or the department's determination pursuant to subdivision (b), a city or county may propose to revise the determination of its share of the regional housing need in accordance with the considerations set forth in subdivision (a). The proposed revised share shall be based upon available data and accepted planning methodology, and supported by adequate documentation.~~

~~(2) Within 60 days after the time period for the revision by the~~

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~~city or county, the council of governments or the department, as the case may be, shall accept the proposed revision, modify its earlier determination, or indicate, based upon available data and accepted planning methodology, why the proposed revision is inconsistent with the regional housing need.~~

~~(A) If the council of governments or the department, as the case may be, does not accept the proposed revision, then the city or county shall have the right to request a public hearing to review the determination within 30 days.~~

~~(B) The city or county shall be notified within 30 days by certified mail, return receipt requested, of at least one public hearing regarding the determination.~~

~~(C) The date of the hearing shall be at least 30 days from the date of the notification.~~

~~(D) Before making its final determination, the council of governments or the department, as the case may be, shall consider comments, recommendations, available data, accepted planning methodology, and local geological and topographical restraints on the production of housing.~~

~~(3) If the council of governments or the department accepts the proposed revision or modifies its earlier determination, the city or county shall use that share. If the council of governments or the department grants a revised allocation pursuant to paragraph (1), the council of governments or the department shall ensure that the current total housing need is maintained. If the council of governments or the department indicates that the proposed revision is inconsistent with the regional housing need, the city or county shall use the share that was originally determined by the council of governments or the department.~~

~~(4) The determination of the council of governments or the department, as the case may be, shall be subject to judicial review pursuant to Section 1094.5 of the Code of Civil Procedure.~~

~~(5) The council of governments or the department shall reduce the share of regional housing needs of a county if all of the following conditions are met:~~

~~(A) One or more cities within the county agree to increase its share or their shares in an amount that will make up for the reduction.~~

~~(B) The transfer of shares shall only occur between a county and cities within that county.~~

~~(C) The county's share of low-income and very low income housing shall be reduced only in proportion to the amount by which the county's share of moderate- and above moderate-income housing is reduced.~~

~~(D) The council of governments or the department, whichever assigned the county's share, shall have authority over the approval of the proposed reduction, taking into consideration the criteria of subdivision (a).~~

~~(6) A city, county, or city and county may reduce its share of the regional housing needs by 15 percent for each income group if all of the following conditions are met:~~

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~~(A) It has met at least 30 percent of its housing needs.~~

~~(B) It has met 30 percent more of its housing needs than the region as a whole.~~

~~(C) The department has determined that it was in substantial compliance with the last revision of its housing element.~~

~~(7) The housing element shall contain an analysis of the factors and circumstances, with all supporting data, justifying the revision.~~

~~All materials and data used to justify any revision shall be made available upon request by any interested party within seven days upon payment of reasonable costs of reproduction unless the costs are waived due to economic hardship.~~

~~(d) (1) In the event an incorporation of a new city occurs after the council of governments, or the department for areas with no council of governments, has made its final allocation under this section, the city and county may reach a mutually acceptable agreement on a revised determination and report the revision to the council of governments and the department, or to the department for areas with no council of governments. If the affected parties cannot reach a mutually acceptable agreement, then either party may request the council of governments, or the department for areas with no council of governments, to consider the facts, data, and methodology presented by both parties and make the revised determination. The revised determination shall be made within one year of the incorporation of the new city based upon the methodology described in subdivision (a) and shall reallocate a portion of the affected county's share of regional housing needs to the new city. The~~

~~revised determination shall neither reduce the total regional housing need nor change the previous allocation of the regional housing needs assigned by the council of governments or the department, where there is no council of governments, to other cities within the affected county.~~

~~(2) Except as provided in paragraph (3), any ordinance, policy, or standard of a city or county that directly limits, by number, the building permits that may be issued for residential construction, or limits for a set period of time the number of buildable lots that may be developed for residential purposes, shall not be a justification for a determination or a reduction in the share of a city or county of the regional housing need.~~

~~(3) Paragraph (2) does not apply to any city or county that imposes a moratorium on residential construction for a specified period of time in order to preserve and protect the public health and safety. If a moratorium is in effect, the city or county shall, prior to a revision pursuant to subdivision (c), adopt findings that specifically describe the threat to the public health and safety and the reasons why construction of the number of units specified as its share of the regional housing need would prevent the mitigation of that threat.~~

~~(e) Any authority to review and revise the share of a city or county of the regional housing need granted under this section shall not constitute authority to revise, approve, or disapprove the manner~~

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~~in which the share of the city or county of the regional housing need is implemented through its housing program.~~

~~(f) A fee may be charged to interested parties for any additional costs caused by the amendments made to subdivision (c) by Chapter 1684 of the Statutes of 1984 reducing from 45 to 7 days the time within which materials and data shall be made available to interested parties.~~

~~(g) Determinations made by the department, a council of governments, or a city or county pursuant to this section are exempt from the California Environmental Quality Act, Division 13 (commencing with Section 21000) of the Public Resources Code.~~

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REPORT

DATE: May 14, 2004

TO: Administration Committee
Regional Council

FROM: Sam Mehta, Contracts Manager (213) 236-1813
Email: mehta@scag.ca.gov

SUBJECT: Contracts and Purchase Orders Between \$5,000 - \$25,000

RECOMMENDED ACTION: Information Only

SUMMARY:

SCAG executed the following contract between \$5,000 and \$25,000

- National Indian Justice Center \$ 20,000
Enhancing Tribal Nations Participation in the Regional
Transportation Planning Process
Funding Source: FHWA

The Executive Director executed the following Purchase Orders between \$5,000 and \$25,000

- Caliper Corporation \$ 9,321
TransCAD Technical Support
Funding Source: FTA and Indirect Overhead
- Copy-Rite Press, Inc. \$37,000
Printing of 2004 Final RFP
Funding Source: Indirect Overhead
- Getty Images \$ 7,500
Stock Photography for Graphics
Funding Source: Indirect Overhead
- The Integration Works, Inc. \$19,158
IT Infrastructure Support Services
Funding Source: Indirect Overhead
- Pace Navigator \$10,045
Printing of SCAG Annual Report for 03-04
Funding Source: Indirect Overhead

REPORT

BACKGROUND:

Pursuant to the recommendations from the Best Practices Contracts Committee and KMPG, the Regional Council approved the execution by the Executive Director, Purchase Orders between \$5,000 and \$25,000 and the listing of all such Contracts and purchase orders on the agenda as information only.



REPORT

DATE: May 14, 2004

TO: Administration Committee
Regional Council

FROM: Sam Mehta, Manager; Contracts (213) 236-1813
Email: Mehta@scag.ca.gov

SUBJECT: Conflict of Interest Listing

RECOMMENDED ACTION: Information Only

Listing of all agenda items involving consultants, vendors, or other groups to all members to determine whether they have conflicts

Item

3.1.2

- National Engineering Technology Corporation (NET)
 - Sub: - URS Corporation
 - Sub: - TES Inc.
 - Sub: - Albert Grover
 - Sub: - ITS Consensus
 - Sub: - Franklin Hill
 - Sub: - Amelia Reagan
- Rafiq & Associates
 - Sub: - DB Consulting
 - Sub: - Strata Research

3.2.1

- National Indian Justice Center
- Caliper Corporation
- Copy-Rite Press, Inc.
- Getty Images
- The Integration Works, Inc.
- Pace Navigator



MEMO

DATE: June 3, 2004
TO: The Regional Council
FROM: Charlotte Eckelbecker, Government Affairs Analyst
Phone: (213) 236-1811 E-Mail: eckelbec@scag.ca.gov
SUBJECT: State Legislative Matrices

SUMMARY:

Attached to this memorandum are "Top Ten" state bills and constitutional amendments of interest to SCAG. SCAG's positions are noted, as well as those of other agencies where available.

On the state legislative calendar, several important dates occur in late May and June. On May 28, bills introduced this year must pass their house of origin, and the state budget must be passed by June 15th. As of this writing on May 13th, Government Affairs is awaiting the release of the Governor's May Budget Revision. We will update committees about budget developments in June.

CAE#98918



SOUTHERN CALIFORNIA
ASSOCIATION of GOVERNMENTS

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Housing

Bill, Author and Staff Contact	Description	Relevance to SCAG Region	Positions	Status and Hearing Date	Notes
AB 2158 (Lowenthal) Staff: Mark Stivers (916) 445-8740	RHNA reform bill.	SCAG is statutorily required to produce the RHNA for the SCAG region.	CSAC-Support; RC considers Support position 6/3/04.	Assembly Third Reading.	SCAG has actively participated in the Lowenthal Working Group on RHNA reform.
AB 2348 (Mullin) Staff: Mark Stivers (916) 445-8740	RHNA reform bill.	SCAG is statutorily required to produce the RHNA for the SCAG region.	CSAC-Pending; RC considers Support position 6/3/04.	Assembly Appropriations Suspense File.	SCAG has actively participated in the Lowenthal Working Group on RHNA reform.

Energy and Environment

Bill, Author and Staff Contact	Description	Relevance to SCAG Region	Positions	Status and Hearing Date	Notes
AB 1971 (Lowenthal) Staff: Josh Tooker (916) 319-2054	Clarifies provisions that require ports to operate in such a manner that trucks do not idle or queue for more than 30 minutes.	Ports of Long Beach and Los Angeles located in SCAG region; goods movement central to regional economy; air quality affected.	SCAG: Support. No related agency positions.	Passed Assembly; to Senate.	In 2003, SCAG supported AB 2650 (Lowenthal) that enacted the idling/queuing prohibition.
AB 2042 (Lowenthal) Staff: Josh Tooker (916) 319-2054	Requires SCAQMD to set baseline for emissions at Ports of Long Beach and Los Angeles. Growth must be limited or controlled so baselines are not exceeded.	Ports of Long Beach and Los Angeles located in SCAG region; goods movement central to regional economy; air quality affected.	EEC Info Item 5/6/04. City of Long Beach-Support. Ports - Oppose.	Assm. Third Reading.	

Transportation

Bill, Author and Staff Contact	Description	Relevance to SCAG Region	Positions	Status and Hearing Date	Notes
AB 2041 (Lowenthal) Staff: Josh Tooker (916) 319-2054	Requires new Port Congestion Management District to set a charge for transporting cargo to or from Ports of Long Beach or Los Angeles by commercial motor vehicle during peak hours.	Ports of Long Beach and Los Angeles located in SCAG region; goods movement central to regional economy; traffic congestion and air quality worsening with truck traffic.	No related agency positions.	Assm. Appropriations. No hearing scheduled.	Mitigation Measure 3.3-3a of the EIR for the 2004 RTP: "SCAG shall encourage the ports to extend their operating hours in order to reduce heavy-duty truck traffic during peak periods, thereby reducing the VHT these trucks spend in delay."

Transportation

Bill, Author and Staff Contact	Description	Relevance to SCAG Region	Positions	Status and Hearing Date	Notes
AB 2372 (Correa) Staff: John Scribner (916) 319-2069	Provides that STIP carry-forward provisions do not authorize the Transportation Commission to carry forward a county's surplus in lieu of programming funds for projects in the county within the 4-year share period unless requested.		OCTA sponsored; VCTC opposes.	Assm. Trans. Not heard.	
AB 2456 (Spitzer) Staff: Dane Wadle (916) 319-2071	Permits RTPAs or CTCs not receiving federal planning funds to request a portion of its regional improvement funds for planning.		OCTA sponsored.	Assm. Appropriations. Not heard.	
AB 2847 (Oropeza) Staff: Andrew Antwih (916) 319-2093	Imposes a 5 cent fee per gallon on the sales of gasoline or motor vehicle diesel fuel and deposits revenues in a Highway Fee Fund for maintenance, operation and improvement of state highway and local street and road system.	Adopted 2001 and 2004 RTPs depend on increased public revenues for transportation within the planning horizon.	CALCOG-Oppose Unless Amended	Assm. Appropriations. No hearing scheduled.	
ACA 24 (Dutra) Staff: Chris Tapio (916) 3190-2020	Authorizes the Legislature to loan funds in the Transportation Investment Fund to the General Fund or any other state fund or account, or to local agencies, under Article XIX conditions.	The 2004 RTP calls for the protection of Proposition 42 revenues by no longer permitting the suspension of transfers from the General Fund to the Transportation Investment Fund.	CALCOG-Support; CSAC-Support	Assm. Approp. No hearing scheduled.	SCAG supported the passage of Proposition 42 in 2002 that created the Transportation Investment Fund.
ACA 29 (Harman) Staff: Peter Crandall (916) 319-2067	Deletes provision authorizing the Governor and Legislature to suspend the transfer of funds from the General Fund to the Transportation Investment Fund.	The 2004 RTP calls for the protection of Proposition 42 revenues by no longer permitting the suspension of transfers from the General Fund to the Transportation Investment Fund.	SCAG: Support. No related agency positions.	Assm. Approp. No hearing scheduled.	SCAG supported the passage of Proposition 42 in 2002 that created the Transportation Investment Fund.
SB 1614 (Torlakson) Staff: Robert Oakes (916) 445-6083	Imposes a 10 cent fee per gallon on the sales of gasoline or motor vehicle diesel fuel and deposits revenues in a Highway Fee Fund for maintenance, operation and improvement of state highway and local street and road system.	Adopted 2001 and draft 2004 RTPs call for increased public revenues for transportation.	CALCOG-Oppose Unless Amended; CSAC-Pending.	Senate Trans. Not heard.	

Energy and Environment Committee Meeting Summary

May 6, 2004

Item Number

Summary

- 5.1 The Committee voted 4-3 to oppose a motion to support the Pavley hybrid vehicle bill.
- 6.1 Information item on federal bill to continue recreation fee on federal lands. Committee agreed to be supportive as long as the fee is not in-lieu of other funding and applies to the Forest Service as well as the National Parks.
- 6.2 Information item on Lowenthal bill to limit pollution increases at the Ports of LA & Long Beach. Discussion centered on whether the bill was constitutional or encroached on Congress's jurisdiction over interstate commerce. Staff was asked to follow up with SCAG region Department of Commerce contacts to find out their position.
- 7.0 Next Water Policy Task Force meeting is June 10th. Main focus will be groundwater replenishment in Orange County.
- 9.0 Staff briefed the Committee on the expected localized conformity lapse in Ventura and Southeast Desert; on a new compilation of environmental articles; and on current energy efficiency efforts, including an action item that will be brought to the June meeting under the DOE/CEC energy grant. The Committee members expressed interest in having more information or a presentation on LEED green building certification.
- 10.0 Committee member Washburn suggested topics on sinking decommissioned naval vessels off California as artificial reefs, and on plastic debris in the oceans. Committee member Longville suggested further follow-up on FEMA's role in floodplain management.

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Community, Economic and Human Development Committee Meeting Summary

May 6, 2004

Item Number

Summary

- 3.0 **The Consent Calendar** was approved without discussion. The Consent Calendar included the March meeting minutes and the Legislative Matrix.
- 4.1 **Growth Vision Final Report.** Mark Butala, Senior Regional Planner, introduced the item by reviewing the history of the Compass Growth Visioning effort led by the Growth Visioning Sub-Committee to CEHD. He informed the Committee that the sub-committee had approved a final report on March 25. John Fregonese, of Fregonese/Calthorpe Associates then gave a presentation describing features of the vision including its development, principles, key benefits, and implementation steps. There was a brief discussion. Supervisor Norby suggested legislative action to reverse contrary incentives at the State level. Mayor Perry commented that selection of pilot areas should remain open-ended at this time. Approval of the report with amendments as suggested by Mayor Perry was moved by Mayor Perry, seconded by Councilmember Duke and approved without objection.
- 4.2 **Housing Legislation.** Jacob Lieb, Acting Lead Regional Planner, described the features of two bills, AB 2358 and AB 2348, which emerged from the Statewide Housing Element Working Group negotiations. Mr. Lieb also reviewed some background in the negotiation process. Questions were asked regarding the effect of other pending bills at the State and Federal level. A motion to support the bills was made by Councilmember McCarthy and seconded by Councilmember Yousefian. The motion was approved without objection.
- 5.1 **Economic Forecast Conference Planning Group.** Councilmember Kathryn McCullough volunteered to serve on the Economic Forecast Conference Planning Group.
- 5.2 **SB 744.** Jacob Lieb, Acting Lead Regional Planner, described SB 744 (Dunn) which would create a housing application appeal review board at the State level. Mr. Lieb stated that the bill is not scheduled to be heard and is unlikely to move forward. Should there be further developments on the issue, staff will update the Committee.
- 5.3 **Intergovernmental Review Annual Report.** This item was not presented due to insufficient time.
- 5.4 **Legislative Roundtable.** This item was not presented due to insufficient time.
- 6.0 **Chairs Report.** None given
- 7.0 **Staff Report.** None given
- 8.0 **Future Agenda Items.** Councilmember McCarthy requested a future agenda item on AB 2702 (Steinberg). This item will be agendized either individually or as part of a broader legislative discussion.

**Community, Economic and Human Development
Committee
Meeting Summary**

May 6, 2004

9.0

Closed Session. No Closed Session held

REPORT

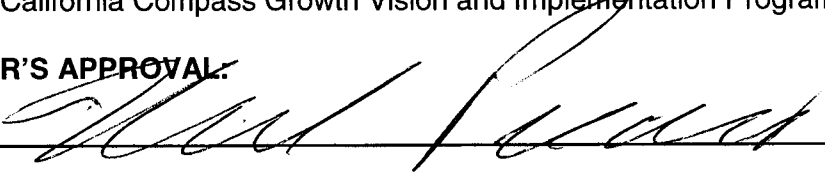
DATE: May 13, 2004

TO: Regional Council

FROM: Community, Economic and Human Development Committee (CEHD)
Lynn Harris, Manager, Community Development Division, 213-236-1875, harris@scag.ca.gov

SUBJECT: Southern California Compass Growth Vision and Implementation Program

EXECUTIVE DIRECTOR'S APPROVAL:



RECOMMENDED ACTION: Approve the Southern California Compass Growth Vision and Implementation Program.

SUMMARY:

On 5/6/04, the CEHD Committee unanimously approved the Southern California Compass Growth Vision and Implementation Program. This recommendation included that CEHD maintain the Implementation Program as a "living" document as further regional dialogues take place and other implementation consensus continues over the next seven years.

Enclosed are copies of the Southern California Compass Growth Vision Preliminary Summary and Implementation Framework. Pending approval by the Regional Council, these documents will be combined into a single document and released as a Final Report in early July 2004.

BACKGROUND:

In April of 1996, under the direction of CEHD, SCAG adopted the *Creating Livable Places* guide as the work plan for the Livable Places Initiative. The objective of the Initiative was to enhance community livability by promoting real-world examples of vibrant and attractive places in southern California as models of how local land use and balanced transportation policies can reduce auto travel and support more pedestrian, mixed use and transit-oriented development.

On October 7, 1999, SCAG staff presented to the CEHD Committee a status report of the Livable Communities program. Upon reporting to the Regional Council, the Council directed CEHD to utilize the substantial body of Livable Communities and "smart growth" work to assess the urban form impacts of the upcoming 2001 RTP and to embark on a regional growth visioning effort to consider a regional land use policy framework. On January 19, 2000 CEHD unanimously consented to establish a Growth Visioning Sub-committee to provide a policy framework for growth forecasts; provide direction on producing alternative urban form scenarios; consider balanced and efficient growth and transportation patterns; and consider other sustainable development and environmental issues.

Since its first meeting on July 10, 2000, the Sub-committee has been working diligently towards its mission to "develop a process that assists local, subregional and regional officials in developing strategies to accommodate growth that results in a preferred regional growth scenario." The Sub-committee directed this multi-year, collaborative work program that has resulted in numerous work

REPORT

products, formed the basis for the 2004 Regional Transportation Plan Preferred Alternative, and will continue to change the climate for regional planning and cooperation in the SCAG region.

This spring draws to a close Phase 2 of the Growth Visioning program resulting in a Compass Growth Vision. This Vision seeks to accommodate projected growth in centers and corridors throughout the region in a manner that utilizes capacity in existing and proposed transportation systems, preserves stable neighborhoods, revitalizes challenged communities, and minimizes intrusion on existing open space.

Central to the Vision is the "2 % Strategy." This strategy indicates that land use changes on only about two percent of the developable land in the region can achieve remarkable regional benefits in transportation mobility and accessibility, reducing air pollution, preserving valuable open space, and addressing the housing crisis. These changes will be sought through incentives to local governments who voluntarily seek to approve projects that are consistent with the principles in the Compass Vision.

ATTACHMENTS (Separate):

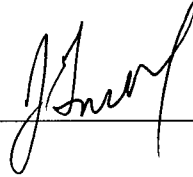
1. Southern California Compass Growth Vision Preliminary Summary
2. Southern California Compass Implementation Framework

FISCAL IMPACT:

SCAG's activities in Growth Visioning are included in the agency Overall Work Program for FY03-04. The recommended action would not incur any additional costs.

REPORT

DATE: May 24, 2004
TO: Administration Committee
Regional Council
FROM: General Counsel and Chief Counsel
SUBJECT: Legal Services Agreement
EXECUTIVE DIRECTOR'S APPROVAL:



RECOMMENDATION:

It is recommended that a contract, terminable upon 30 days notice be entered into with Fulbright & Jaworski to provide for the continuation of legal services.

REPORT:

The Officers under the auspices of the Executive Committee are reviewing legal services provided to SCAG. While that review is taking place it is recommended that a contract be entered into with the Fulbright & Jaworski law firm to provide for the continuing representation of SCAG by Colin Lennard as SCAG's General Counsel. The scope of work is suggested to be along the following:

"General Counsel shall provide the necessary personnel, facilities equipment and materials to provide general counsel legal services to SCAG. Services in connection with this Agreement may include, but are not limited to advising and consulting with the Regional Council and its Committees on legal matters; defending or conducting litigation on behalf of SCAG at the direction of the Regional Council, attending Regional Council meetings and Committee meetings, attending meetings with SCAG as is necessary. General Counsel shall provide additional services as requested by the Regional Council.

Prior to commencement or defense of any litigation on behalf of SCAG, General Counsel shall provide to the Regional Council a litigation budget with respect to the approximate legal costs to be incurred and shall provide status updates to the Regional Council as is necessary."

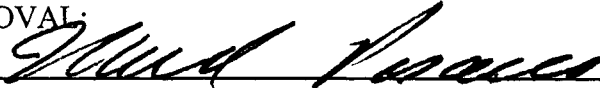
The scope of work recommended would be sufficient to provide for Mr. Lennard's continued representation of SCAG.

The compensation for the contract will be discussed at the Executive Committee meeting of June 3, 2004. A recommendation based upon that discussion would then be made to the Regional Council.

REPORT

DATE: May 6, 2004
TO: The Regional Council
FROM: Al Bowser, Senior Regional Transportation Planner, Ph: (213) 236-1843 E-Mail: Bowser@SCAG.ca.gov
SUBJECT: AB 2628 (Pavley) High Occupancy Vehicle Lanes

EXECUTIVE DIRECTOR'S APPROVAL:



RECOMMENDED ACTION: Adopt TCC Recommendation and oppose the bill.

SUMMARY:

On May 6, 2004 the Energy and Environment Committee (EEC) and the Transportation and Communications Committee (TCC) discussed AB 2628. The EEC defeated a motion to support the bill and the TCC voted unanimously to oppose the bill.

AB 2628 allows advanced technology Partial Zero-Emission Vehicles (PZEV or "hybrid" vehicles) to use high occupancy vehicle lanes (HOV) regardless of existing required vehicle occupancy levels. Current law, AB 71 (Cunneen), Chapter 330, Statutes of 1999 extends the privilege of HOV lane use to battery electric and compressed natural gas vehicles (Ultra-Low Emission Vehicles or Super-Ultra Low Emission Vehicles). AB 2628 would further extend that privilege to hybrid vehicles.

BACKGROUND:

The declared legislative intent in establishing HOV lanes or rideshare lanes is to relieve traffic congestion, conserve fuel and reduce vehicular emissions. These lanes are an integral part of traffic management strategies designed to reduce the number of single occupant vehicles during peak periods of traffic congestion and to provide an incentive for travelers in the form of higher average speeds and reduced travel times.

Over the years advocates for many groups have suggested using HOV lane access to reward certain behaviors or to ease the commute for one class of users or another including doctors, seniors, veterans, the disabled, deadheading transit vehicles and others. These proposals have all been rejected.

Beginning in 1999 the Legislature through AB 71 granted HOV lane access drivers of ultra-low emission vehicles (battery-powered and compressed natural gas vehicles). At that time the proponents of AB 71 argued that the bill would induce purchase of alternative fueled vehicles as specified in the bill without negatively affecting the times savings benefit afforded to multi-occupant HOV lane users.

AB 2628 allows PZEV or "hybrid" vehicles to use high occupancy vehicle lanes (HOV) regardless of required vehicle occupancy levels and directs the DMV to issue a qualifying decal for HOV lane use if:

- the vehicle meets California's PZEV standards for criteria pollutant emissions and achieve fuel economy of at least 45 mpg
- are hybrid vehicles produced in 2004 or earlier, have a 45 mpg or greater, and meet California ULEV,



SOUTHERN CALIFORNIA
ASSOCIATION of GOVERNMENTS

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SULEV or PZEV standard for exhaust emissions

- the federal government acts to approve the use of HOV lanes by hybrid vehicles regardless of the number of occupants (provision exists to grant California a waiver to allow hybrids to use HOV lanes in the Administrations federal transportation reauthorization proposal)
- Caltrans is allowed to suspend HOV lane privileges for these vehicles on any particular HOV lane if it finds that the lane, or any portion of it, exceeds certain congestion thresholds; and,
- if Caltrans determines that following the issuance of at least 50,000 decals, that significant HOV lane breakdown (undefined) has occurred throughout the state, DMV would be required to stop issuing the decals.

AB 2628 (Pavley) - Discussion of Pro and Con Arguments

<u>Pro Arguments</u>	<u>Con Arguments</u>
1. <u>transition to alternative fuels/advanced technology vehicles</u> - provides additional purchase incentive for 50,000 new, near PZEV hybrid vehicles	1. no clear evidence that a previous bill, AB 71 (1999) that allows electric and CNG vehicles access to HOV Lanes resulted in increased sales; JD Powers reports that back-orders for hybrids is strong and exceeds supply – no need to provide additional incentives
2. <u>fuel economy</u> - rewards owners of fuel efficient hybrids	2. discriminates against other technologies that attain at least 45 mpg
3. <u>congestion relief</u> - N/A	3. bill makes no assessment of current and forecast HOV lane usage statewide or in the SCAG region in order to estimate the operational practicability of the bills' provisions SCAG staff estimates that if 60% or 30,000 of the estimated 50,000 hybrids are purchased in southern California, these vehicles could contribute a 10% increase in SOV use of HOV Lanes in the SCAG region; and, depending upon the specific corridor involved, either exacerbate an already congested peak commuting period or result in degrading the time savings enjoyed by HOV lane ridesharers
4. <u>identifying decals</u> – DMV will issue 50,000 decals that set hybrid apart from other vehicles; decals allow access to HOV lanes	4. bill does not specify how Caltrans would suspend hybrid vehicle use of HOV lanes once an HOV lane segment “breaks-down”
5. <u>revenue enhanced transportation projects</u> – N/A	5. <u>potential financial impacts</u> result if hybrid is allowed free use of existing/proposed user-fee backed HOV lane toll facilities; that practice may render revenue generating projects financially non-viable
6. <u>sunset date</u> - 2008	6. bill lacks assessment of current and forecast HOV lane usage statewide or in the SCAG region in order to estimate the operational practicability of the bills' provisions, including sunset date

REPORT

SUPPORT:

Treasurer Phil Angelides (sponsor)

California Environmental Protection Agency (sponsor)

CALTRANS

Global Green USA

Natural Resources Defense Council

OPPOSE:

Alameda County Congestion Management Agency
CALCOG

BILL STATUS:

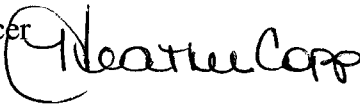
AB 2628 has been referred to the Assembly Committee on Appropriations

FISCAL IMPACT:

All work related to adopting the recommended staff action is contained within the adopted FY 03/04 budget and adopted 2004 SCAG Legislative Program and does not require the allocation of any additional financial resources.

#98237 v2 - FinalAB2628 RC Item:atb

MEMO

DATE: May 18, 2004
TO: Administration Committee and Regional Council
FROM: Heather Copp, Chief Financial Officer
(213) 236-1804, copp@scag.ca.gov 
RE: Monthly Financial Results for April 2004

Information Only

Summary: Monthly financial results for April 2004

Background: This report contains financial data related to SCAG's cash flow, as well as budget and expense data for the ten months ended April 2004.

Cash Flow

During April 2004, the Association received Line of Credit (LOC) advances of \$820,500 compared to \$982,000 in the prior year, a decrease of \$161,500. On a year to date basis, total LOC advances have decreased by 21% or \$4,296,000 compared to the prior year. At April 30, 2004, the LOC liability was \$820,500 compared to \$3,669,000 in the prior year, a decrease of \$2,848,500.

Attachment 1, "Cash Receipts & Disbursements", graphically illustrates the monthly results of cash receipts and disbursements. During April 2004 there were \$1.8 million in receipts and \$2.6 million in disbursements; compared to \$2.9 million and \$ 2.5 million, respectively in the prior year. On a year to date basis, there was \$40.9 million in receipts and \$40.9 million in disbursements, a break-even point on a cash basis. This compares to \$47.2 million in receipts and \$46.9 million in disbursements in the prior year. Reduced cash receipts are primarily attributable to less utilization of the LOC, and cash disbursements are lower due to a reduction in overall operating cost.

Attachment 2, "Unrestricted Cash Status Comparison", illustrates the amount of unrestricted cash that is available to support the Association's day-to-day operations. The unrestricted cash balance at April 30, 2004 was about \$ 1.2 million. This graph illustrates the unrestricted cash status of the last 12 months and the prior 12 months for comparison. The balance fluctuates based on the timing of when cash is received and payments made.

Attachment 3, "Cash Flow Summary", shows the receipts and disbursements during the month of April and their impact on working capital. The report also compares the current month to the same month in the prior year and the current year-to-date period to the same period last year, with variance amounts and the percentage variations.

Budget and Expenses

Also attached is the SCAG Agency Wide budget as well as the General Fund Budget. Both budgets include Budget Amendment 1 changes. The Agency Wide budget includes the General Fund.

MEMO

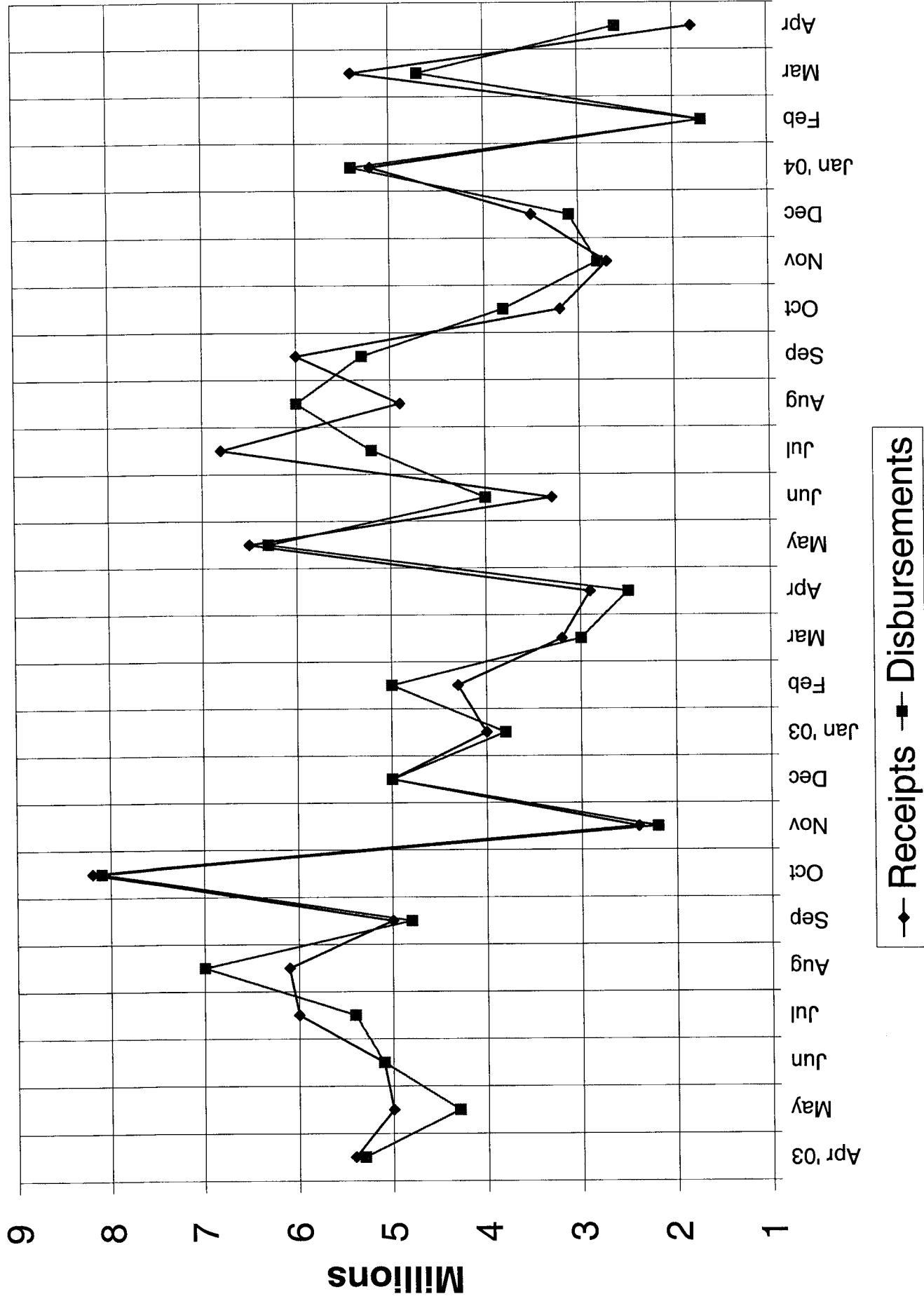
The budgets, year-to-date expenses as of April 30, 2004, the remaining budget, and the percent of budget used are reported. They also present information about procurement and actual contract commitments against the line item budgets. The Agency Wide report is all-inclusive, and combines the OWP, the General Fund, fringe benefits, indirect costs, and all other projects.

The total amended Agency Wide budget is \$37.2 million and we have expended about 50% or \$18.4 million. The major reason for the under budget status is due to consulting and subregional costs which are budgeted at \$16.1 million versus actual expenses of \$3.3 million on a year to date basis. These costs are about \$10.0 million less than expected. The outlook for the rest of the year is that consultant expenses will continue to be significantly under budget.

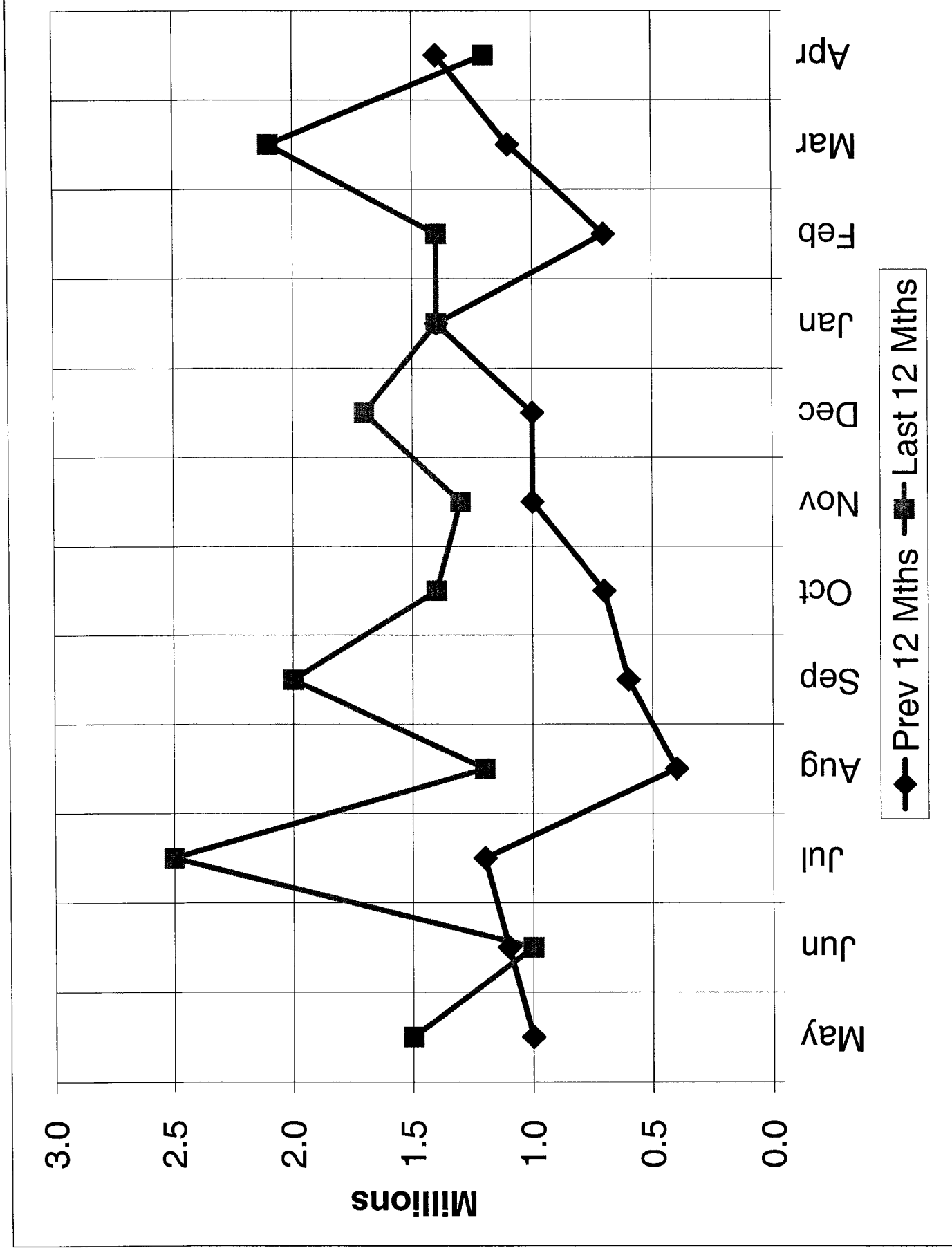
SCAG's General Fund expenses are running at 51% of budget. The total budget is \$1.1 million and actual expenses are \$0.6 million. This is a favorable variance of approx. \$0.37 million in the ten month period ending April 2004. The variance is primarily attributable to lower legal expenses, reduced interest cost for the LOC, and the elimination of the Caltrans Rapid Pay fees.

PC Docs 99077

Cash Receipts and Disbursements - Last 24 Months



Unrestricted Cash Status Comparison



Attachment 3

Comparative Cash Flow Summary
FY04 vs. FY03
Month of April and Year to Date

Categories	April 2004	April 2003	Variance \$	Variance %	July 1, 2003 To Date	July 1, 2002 To Date	Variance \$	Variance %
Working Capital Beginning of Period:	\$ 2,125,186	\$ 1,131,151	\$ 994,035	88%	\$ 1,218,032	\$ 1,202,431	\$ 15,601	1%
Receipts:			-					
Grants	906,301	1,881,798	(975,497)	-52%	22,575,749	24,137,811	(1,562,062)	-6%
TDA	-	-	-	0%	999,800	1,000,000	(200)	0%
Membership Dues	8,836	15,003	(6,167)	-41%	975,607	948,055	27,552	3%
LOC Draws	820,500	982,000	(161,500)	-16%	16,246,500	20,542,500	(4,296,000)	-21%
Miscellaneous	32,549	12,765	19,784	155%	120,419	589,880	(469,461)	0%
	-	-	-					
Total Receipts	1,768,185	2,891,566	(1,123,381)	-39%	40,918,075	47,218,246	(6,300,171)	-13%
Disbursements:								
Total Disbursements	1,998,527	2,024,138	(25,611)	-1%	22,579,895	28,169,391	(5,589,496)	-20%
LOC Payments	656,212	523,500	132,712	25%	18,317,581	18,776,207	(458,627)	-2%
	-	-	-					
Total Disbursements	2,654,739	2,547,638	107,101	4%	40,897,475	46,945,598	(6,048,123)	-13%
Working Capital End of Period:								
	\$ 1,238,632	\$ 1,475,079	\$ (236,447)	-16%	\$ 1,238,632	\$ 1,475,079	\$ (236,447)	-16%

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**Southern California Association of Governments
Agency Wide Budget vs. Expenditures and Commitments**

	Period: July - April	Budget	April	YTD to April	April Balance	Pct	Commitments	YTD + Comm	Balance	Pct
9001 ALL STAFF		9,020,422	665,822	6,952,529	2,067,892	77%	-	6,952,529	2,067,892	77%
54300 SCAG CONSULTANT		13,938,173	299,593	2,747,729	11,190,444	20%	5,034,357	7,782,086	6,156,087	56%
54330 SUBREGIONAL CONS		632,535	51,269	181,600	450,935	29%	302,349	483,949	148,586	77%
54340 LEGAL		400,000	19,692	138,708	261,292	35%	-	138,708	261,292	35%
54350 PROFESSIONAL SVC		803,225	76,839	580,040	223,185	72%	186,603	766,643	36,582	95%
54400 SUBREGIONAL STAFF		1,488,118	-	379,444	1,108,675	25%	792,404	1,171,848	316,270	79%
55200 INTERNET ACCESS FEE		6,000	-	1,427	4,573	24%	599	2,026	3,974	34%
55210 SOFTWARE SUPPORT		139,000	150	103,156	35,844	74%	3,509	106,665	32,335	77%
55220 HARDWARE SUPPORT		42,000	5,592	42,059	(59)	100%	17,756	59,815	(17,815)	142%
55260 CSC SYSTEM UPGRADE		-	-	1,909	(1,909)	0%	-	1,909	(1,909)	0%
55270 CSC SOFTWARE PURCH		60,000	71	24,796	35,204	41%	5,632	30,428	29,572	51%
55280 3RD PARTY CONTRIBUTN		2,966,068	486,312	1,384,372	1,581,696	47%	1,586,392	2,970,764	(4,696)	100%
55400 OFFICE RENT 818-OFFI		1,300,000	110,422	1,124,055	175,945	86%	40,213	1,164,268	135,732	90%
55410 OFFICE RENT SATELLIT		36,000	2,939	28,935	7,065	80%	-	28,935	7,065	80%
55420 EQUIPMENT LEASES		340,000	33,208	272,616	67,384	80%	82,241	354,857	(14,857)	104%
55430 EQUIP REPAIR-MAINT		24,000	-	14,668	9,332	61%	1,866	16,534	7,466	69%
55440 INSURANCE		230,000	2,646	239,226	(9,226)	104%	-	239,226	(9,226)	104%
55441 PAYROLL PROC - ADP		23,000	3,640	23,430	(430)	102%	-	23,430	(430)	102%
55510 OFFICE SUPPLIES		90,000	4,647	78,970	11,030	88%	49,624	128,594	(38,594)	143%
55530 TELEPHONE		80,000	11,313	68,839	11,161	86%	2,661	71,500	8,500	89%
55540 POSTAGE		80,000	451	46,485	33,515	58%	3,592	50,077	29,923	63%
55600 SCAG MEMBERSHIPS		60,000	-	73,678	(13,678)	123%	-	73,678	(13,678)	123%
55610 PROF MEMBERSHIPS		275	110	1,285	(1,010)	467%	-	1,285	(1,010)	467%
55620 RESRCE MATER/SUBSC		174,336	1,923	56,926	117,410	33%	560	57,486	116,850	33%
55700 DEP - FURN & FIXTURE		31,623	2,608	26,951	4,672	85%	-	26,951	4,672	85%
55710 DEPRECIATION - COMP		359,716	22,889	273,690	86,026	76%	-	273,690	86,026	76%
55730 CAPITAL OUTLAY		25,000	-	-	25,000	0%	-	-	25,000	0%
55800 RECRUITMENT NOTICE		20,000	2,068	5,179	14,821	26%	-	5,179	14,821	26%
55810 PUBLIC NOTICES		26,334	167	16,108	10,226	61%	165	16,273	10,061	62%
55820 STAFF TRAINING		46,100	4,718	13,967	32,133	30%	750	14,717	31,383	32%
55910 RC/COMMITTEE MEETIN		20,000	1,636	13,728	6,273	69%	-	13,728	6,273	69%
55920 OTHER MEETING EXPENS		72,140	3,019	32,818	39,322	45%	20,302	53,120	19,020	74%
55930 MISC. OTHER		75,569	220	23,575	51,994	31%	5,285	28,860	46,709	38%
55940 STIPEND-RC MTG		130,000	9,430	97,540	32,460	75%	-	97,540	32,460	75%
55950 TEMPORARY HELP		241,916	21,097	314,625	(72,709)	130%	3,980	318,605	(76,689)	132%
55970 INTEREST ON BANK LOC		160,000	1,712	53,556	106,444	33%	-	53,556	106,444	33%
55972 RAPID PAY FEES		135,000	75	49,851	85,149	37%	-	49,851	85,149	37%
55980 CASH CONTRIBU PROJ		10,000	(516)	46,123	(36,123)	461%	-	46,123	(36,123)	461%
55990 BAD DEBTS EXPENSE		-	-	-	-	0%	-	-	-	0%
56100 PRINTING		224,000	-	57,164	166,837	26%	54,209	111,373	112,627	50%
58100 TRAVEL		255,750	10,210	100,055	155,695	39%	-	100,055	155,695	39%
58200 TRAVEL-REGISTRATION		34,750	1,522	21,939	12,811	63%	-	21,939	12,811	63%

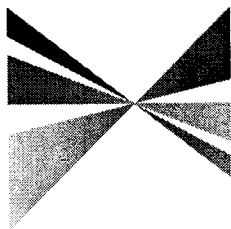
Southern California Association of Governments
Agency Wide Budget vs. Expenditures and Commitments

	Period: July - April	Budget	April	YTD to April	April Balance	Pct	Commitments	YTD + Comm	Balance	Pct
58500	AMPO BOARD EXPENSE	3,200	-	1,414	1,786	44%	-	1,414	1,786	44%
58600	NARC BOARD EXPENSE	4,500	2,963	2,963	1,537	66%	-	2,963	1,537	66%
58700	RC APPROVED COSTS	82,300	522	9,500	72,800	12%	-	9,500	72,800	12%
58999	UNALLOCATED RESERVE	457,126	-	-	457,126	0%	-	-	457,126	0%
60001	VACATION LEAVE	-	(298)	109,499	(109,499)	0%	-	109,499	(109,499)	0%
60002	SICK LEAVE	-	-	-	-	0%	-	-	-	0%
60020	SICK LEAVE BUYBACK	-	(1,309)	(12,766)	12,766	0%	-	(12,766)	12,766	0%
60100	SEVERANCE/VAC REBATE	-	7,849	66,568	(66,568)	0%	-	66,568	(66,568)	0%
60110	RETIREMENT-PERS	860,000	69,202	805,252	54,748	94%	-	805,252	54,748	94%
60200	HEALTH INS.	700,000	58,049	579,599	120,401	83%	-	579,599	120,401	83%
60210	DENTAL INS.	92,000	6,431	76,318	15,682	83%	-	76,318	15,682	83%
60220	VISION INS.	30,000	2,327	23,372	6,628	78%	-	23,372	6,628	78%
60225	LIFE INSURANCE	100,000	8,403	83,319	16,681	83%	-	83,319	16,681	83%
60230	MED/DEN REBATE	285,000	23,764	236,311	48,689	83%	-	236,311	48,689	83%
60240	MEDICARE TX EMPLRS	115,000	8,830	92,272	22,728	80%	-	92,272	22,728	80%
60300	TUITION REIMBURSEMENT	10,000	-	60	9,940	1%	-	60	9,940	1%
60310	BUS PASSES	55,665	928	17,167	38,498	31%	-	17,167	38,498	31%
60320	CARPOOL REIMBURSEMENT	11,609	245	2,730	8,879	24%	-	2,730	8,879	24%
60330	BUS PASS-TAXABLE	43,000	5,040	40,534	2,466	94%	-	40,534	2,466	94%
60400	UNEMP/WORKCOMP IN	500,000	-	521,455	(21,455)	104%	-	521,455	(21,455)	104%
60410	MISC. EMP. BENE	-	-	(1)	1	0%	-	(1)	1	0%
60415	SCAG 457 MATCH	65,000	8,886	56,248	8,752	87%	-	56,248	8,752	87%
60450	BENEFITS ADMIN FEES	8,000	234	2,390	5,610	30%	-	2,390	5,610	30%
	Grand totals:	37,223,450	2,059,558	18,427,955	18,795,496	50%	8,195,047	26,623,002	10,600,448	72%

**Southern California Association of Governments
General Fund Budget vs. Expenditures and Commitments**

	Period: July - April	Budget	April	YTD to April	April Balance	Pct	Commitments	YTD + Comm	April Balance	Pct
9001 ALL STAFF		12,661	-	6,568	6,093	52%	-	6,568	6,093	52%
9901 FRINGE BENEFIT BRDN		6,478	-	3,332	3,146	51%	-	3,332	3,146	51%
9914 IC BURDEN		20,861	-	9,876	10,985	47%	-	9,876	10,985	47%
9916 IC ADJUSTMENT		-	-	915	(915)	0%	-	915	(915)	0%
54340 LEGAL		200,000	2,469	16,636	183,364	8%	-	16,636	183,364	8%
54350 PROFESSIONAL SVC		280,000	23,320	201,820	78,180	72%	78,455	280,275	(275)	100%
55600 SCAG MEMBERSHIPS		-	-	12,985	(12,985)	0%	-	12,985	(12,985)	0%
55730 CAPITAL OUTLAY		25,000	-	-	25,000	0%	-	-	25,000	0%
55910 RC/COMMITTEE MEETIN		20,000	1,636	13,728	6,273	69%	-	13,728	6,273	69%
55920 OTHER MEETING EXPENS		15,000	2,909	10,088	4,912	67%	14,000	24,088	(9,088)	161%
55930 MISC. OTHER		10,000	-	18,533	(8,533)	185%	-	18,533	(8,533)	185%
55940 STIPEND-RC MTG		130,000	9,430	97,540	32,460	75%	-	97,540	32,460	75%
55970 INTEREST ON BANK LOC		160,000	1,712	53,556	106,444	33%	-	53,556	106,444	33%
55972 RAPID PAY FEES		135,000	75	49,851	85,149	37%	-	49,851	85,149	37%
55980 CASH CONTRIBU PROJ		10,000	(516)	46,123	(36,123)	461%	-	46,123	(36,123)	461%
58100 TRAVEL		17,000	625	18,119	(1,119)	107%	-	18,119	(1,119)	107%
58200 TRAVEL-REGISTRATION		3,000	85	2,329	671	78%	-	2,329	671	78%
58500 AMPO BOARD EXPENSE		3,200	-	1,414	1,786	44%	-	1,414	1,786	44%
58600 NARC BOARD EXPENSE		4,500	2,963	2,963	1,537	66%	-	2,963	1,537	66%
58700 RC APPROVED COSTS		82,300	-	9,500	72,800	12%	-	9,500	72,800	12%
Grand totals:		1,135,000	44,707	575,877	559,122	51%	92,455	668,332	466,667	59%

SOUTHERN CALIFORNIA



**ASSOCIATION of
GOVERNMENTS**

Main Office

818 West Seventh Street
12th Floor
Los Angeles, California
90017-3435

t (213) 236-1800

f (213) 236-1825

www.scag.ca.gov

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Riverside County: Marion Ashley, Riverside County • Thomas Buckley, Lake Elsinore • Bonnie Flickinger, Moreno Valley • Ron Loveridge, Riverside • Greg Pettis, Cathedral City • Ron Roberts, Temecula

San Bernardino County: Paul Biane, San Bernardino County • Bill Alexander, Rancho Cucamonga • Edward Burgnon, Town of Apple Valley • Lawrence Dale, Barstow • Lee Ann Garcia, Grand Terrace • Susan Longville, San Bernardino • Gary Oviatt, Ontario • Deborah Robertson, Rialto

Ventura County: Judy Mikels, Ventura County • Glen Becerra, Simi Valley • Carl Morehouse, San Buenaventura • Toni Young, Port Hueneme

Orange County Transportation Authority: Charles Smith, Orange County

Riverside County Transportation Commission: Robin Lowe, Hemet

Ventura County Transportation Commission: Bill Davis, Simi Valley

PLEASE NOTE SPECIAL TIME & LOCATION:

ADMINISTRATION COMMITTEE

**Thursday, June 3, 2004
9:00 a.m. – 10:00 a.m.**

**TEMECULA CREEK INN
Building E – Kiva
44501 Rainbow Canyon Road
Temecula, CA 92592**

909.694.1000

MAP & AGENDA ENCLOSED

If members of the public wish to review the attachments or have any questions on any of the agenda items, please contact Deby Salcido at 213-236-1993 or salcido@scag.ca.gov.

Agendas and Minutes for the Administration Committee are also available at:

www.scag.ca.gov

SCAG, in accordance with the Americans with Disabilities Act (ADA), will accommodate persons who require a modification of accommodation in order to participate in this meeting. If you require such assistance, please contact SCAG at (213) 236-1868 at least 72 hours in advance of the meeting to enable SCAG to make reasonable arrangements. To request documents related to this document in an alternative format, please contact (213) 236-1868.

ADMINISTRATION COMMITTEE

AGENDA

JUNE 3, 2004

PAGE #

TIME

1.0 CALL TO ORDER Councilmember Dixon, Chair

2.0 PUBLIC COMMENT PERIOD -- Members of the public desiring to speak on an agenda item, or agenda items not on the agenda, but within the purview of this committee, must notify the Secretary and fill out a speaker's card prior to speaking. A speaker's card must be turned in before the meeting is called to order. Comments will be limited to three minutes. The Chair may limit the total time for comments to twenty (20) minutes.

3.0 CONSENT CALENDAR

3.1 Approval Items

- | | | |
|-------|--|----|
| 3.1.1 | <u>Approval of May 6, 2004 Minutes Attachment</u> | 92 |
| 3.1.2 | <u>Contracts RC Attachment</u> | 09 |
| | • National Engineering Technology Corporation (NET) | 10 |
| | • Rafiq & Associates | 12 |
| 3.1.3 | <u>Approve New MOU with Riverside Transit Agency For ITS Transit Project RC Attachment</u> | 16 |
| 3.1.4 | <u>Approve Joint Meeting with Santa Barbara County Association of Governments to be held in July 2004 RC Attachment</u> | 17 |
| 3.1.5 | <u>Consideration to Adopt Master Fund Transfer Agreement RC Attachment</u> | 18 |
| 3.1.6 | <u>Adopt Resolution #04-453-1 Authorizing Executive Director to Delegate Authority to the Deputy Executive Director RC Attachment</u> | 20 |
| 3.1.7 | <u>Authorization to Execute MOU between SCAG & Calif. State University LA (CSULA) for grants awarded to CSULA by the FTA RC Attachment</u> | 22 |



ADMINISTRATION COMMITTEE

AGENDA

JUNE 3, 2004

PAGE #

TIME

3.2 Receive & File

- | | | | |
|-------|---|----|--|
| 3.2.1 | <u>Contracts & PO's between \$5,000-\$25,000 RC Attachment</u> | 69 | |
| 3.2.2 | <u>Conflict of Interest Listing RC Attachment</u> | 71 | |
| 3.2.3 | <u>SCAG Legislative Matrix RC Attachment</u> | 72 | |
| 3.2.4 | <u>Key Issues From Policy Committees Meeting on May 6, 2004 RC Attachment</u> | 75 | |

4.0 ACTION ITEMS

- | | | | |
|-----------------------------|--------------------------------|--------------------------------|----|
| 4.1.1 | <u>Legal Services Contract</u> | Karen Tachiki
Chief Counsel | 80 |
| Recommended Action: Approve | | | |

5.0 INFORMATION ITEMS

- | | | | | |
|-----|--|--|----|------------|
| 5.1 | <u>Monthly Financial Report Attachment</u> | Heather Copp, CFO | 84 | |
| 5.2 | <u>Presentation on Office Space Enhancements</u> | Cheryl Collier, Supv.
Public Communications | | 10 Minutes |
| 5.3 | <u>Presentation on Results of the Data Needs Survey Attachment</u> | Huasha Liu, Acting
Dir. Information Svs. | 95 | 10 Minutes |

6.0 FUTURE AGENDA ITEMS

Any committee members or staff desiring to place items on a future agenda may make such request. Comments should be limited to three minutes.

7.0 ANNOUNCEMENTS

8.0 ADJOURNMENT

The next meeting is schedule for Thursday, August 5, 2004 at the SCAG Offices downtown Los Angeles.

Admin. Comm. Agenda – Salcido
06/03/04 - DOCS #98742

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

Administration Committee Minutes

May 6, 2004

THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE ADMINISTRATION COMMITTEE. AUDIO CASSETTE TAPES OF THE MEETING ARE AVAILABLE FOR LISTENING IN SCAG'S OFFICE.

The Administration Committee of the Southern California Association of Governments held its meeting at the Hyatt Regency Hotel, 711 S. Hope Street, Los Angeles, CA 90017. The meeting was called to order by the Chairperson, Mayor Richard Dixon, City of Lake Forest. There was a quorum.

1.0 CALL TO ORDER

Chairman Richard Dixon called the meeting to order at 9:30 a.m.

Committee Members Present:

Mayor William Alexander	City of Rancho Cucamonga
Mayor Pro-Tem Harry Baldwin	City of San Gabriel
Councilmember Ron Bates	City of Los Alamitos
Mayor Richard Dixon	City of Lake Forest
Mayor Lee Ann Garcia	City of Grand Terrace
Supervisor Hank Kuiper	County of Imperial
Mayor Ron Loveridge	City of Riverside
Councilmember Keith McCarthy	City of Downey
Councilmember Bev Perry	City of Brea
Mayor Pro-Tem Greg Pettis	City of Cathedral City
Mayor Ron Roberts	City of Temecula
Councilmember Sidney Tyler	City of Pasadena
Councilmember Toni Young	City of Port Hueneme
Councilmember Bob Yousefian	City of Glendale

Committee Members Absent:

Mayor Pro-Tem Mike Dispenza	City of Palmdale
Councilmember Alta Duke	City of La Palma
Mayor Pro-Tem Sandy Jacobs	City of El Segundo
Supervisor Judy Mikels	County of Ventura
Councilmember Pam O'Connor	City of Santa Monica
Mayor Pro Tem Bea Proo	City of Pico Rivera
Councilmember Dennis Washburn	City of Calabasas

Staff Present:

Bert Becker	Chief Financial Officer
Charlie Wagner	Acting Manager of Finance

Others Present:

Zahi Faranesh	SCAG
Janet Henderson	SCAG
David Huang	SCAG
Ed Jones	SCAG Liaison
David Sosa	Caltrans

2.0 PUBLIC COMMENT PERIOD

Mark Pisano introduced the new Chief Financial Officer, Heather Copp.

3.0 CONSENT CALENDAR

The Consent Calendar was MOVED (Mayor Toni Young), SECONDED (Councilmember Sidney Tyler) and UNANIMOUSLY APPROVED.

3.1 Approval Items

3.1.1 Approval of April 1, 2004 Minutes

3.1.2 Contract Amendment

- Judith Norman Transportation Consultant

3.1.3 Approval of Bi-State Transportation Technical Advisory Steering Board Budget

3.1.4 MOU between SCAG & RCTC

3.1.5 Consensus Program Appropriations Additions

3.2 Receive & File

3.2.1 Contracts & PO's between \$5,000-\$25,000

3.2.2 Conflict of Interest Listing

3.2.3 SCAG Legislative Matrix

4.0 ACTION ITEMS

4.1 Administration Committee Report

4.1.1 Adopt Resolution #04-452-1 Approving the Final FY 2004-2004 Overall Work Program

The item was MOVED (Mayor Toni Young) and SECONDED (Councilmember Ron Bates) and UNANIMOUSLY APPROVED.

Councilmember Sidney Tyler asked if all Caltrans comments were addressed.

Jim Gosnell answered that all comments were addressed reasonably and responsively. Caltrans did not make any additional comments relative to the OWP and positive responses were made to the changes that were made.

000093

Mayor Toni Young made a motion to amend the original motion to include that the Audit/Best Practices Subcommittee would continue to work with staff on any Caltrans issues and if necessary, make an amendment to the OWP. The motion was SECONDED (Councilmember Ron Roberts) and UNANIMOUSLY APPROVED.

4.1.2 Merit Pay Program

The item was MOVED (Mayor Toni Young), SECONDED (Councilmember Ron Bates) and UNANIMOUSLY APPROVED.

5.0 INFORMATION ITEMS

5.1 Monthly Financial Report

Bert Becker informed the Committee that SCAG is doing very well at this time of the year, cash flow is improved and we are reducing the use of our Line of Credit, which reduces the amount of interest costs.

5.2 Audit/Best Practices Subcommittee Report

Councilmember Sidney Tyler reported that the Subcommittee met on April 28, 2004. It reviewed the FTA Audit and will meet in June to discuss the steps that are being taken by SCAG, in coordination with Caltrans, leading toward SCAG getting off "high risk" designation by Spring 2005.

5.3 Presentation on Office Space Enhancements

Deferred to next meeting.

5.4 Presentation of Results from the Data Needs Survey

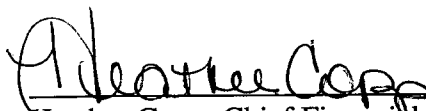
Deferred to next meeting.

6.0 FUTURE AGENDA ITEMS

7.0 ANNOUNCEMENTS

8.0 ADJOURNMENT

Chairman Richard Dixon adjourned the meeting at 9:40 a.m.


Heather Copp, Chief Financial Officer
Staff to the Administration Committee

MEMO

DATE: June 3, 2004
TO: Regional Council
FROM: Huasha Liu, Interim Director, Information Services Department (213) 236-1838, liu@scag.ca.gov
Pablo Gutierrez, Associate Regional Planner, Data and Monitoring Division (213) 236-1929, gutierre@scag.ca.gov
Courts Carter, Senior Programmer Analyst, Data and Monitoring Division (213) 236-1835, carter@scag.ca.gov
SUBJECT: Presentation of Results from the Data Needs Survey

Information Only: Staff will present the results of the Data Needs Survey.

Background:

One of SCAG's important functions is to provide data and facilitate information sharing within and external to the region. Currently SCAG handles an estimated 8,500 data requests annually related primarily to census, transportation, socioeconomic (e.g. households and employment), GIS and SCAG reports. A survey could provide a better understanding of the data needs of stakeholders, particularly member jurisdictions. The results of the survey will assist SCAG staff in prioritizing data acquisition and providing guidance for data sharing.

In early March this year, staff developed an electronic data needs survey process via SCAG's web site, including a survey form. The survey form contained questions on topics of interest as well as data types and formats. Staff also sent e-mails regarding the survey to major stakeholders including cities, counties, subregions, transportation commissions, special districts, state agencies, colleges/universities, school districts, consultants, and other interested groups. The survey form was also made available to the general public via SCAG's web site.

Summary of Survey Results:

A total of 127 surveys were submitted with approximately 2,000 different data sets selected as of May 10, 2004. Highlights of the survey results include the following:

1. The majority of the respondents (68%) were from local governments, including cities, counties, special districts and subregions;
2. At the city level, the most interested data sets are related to Transportation (30%), Census (25%), and General Data (e.g. socioeconomic forecast and General Plans) (16%);
3. Priority in data sets is generally consistent across different types of organizations; and
4. Some of the major comments included need for parcel level data as well as more frequent updates on land use and aerial imagery data.

000095